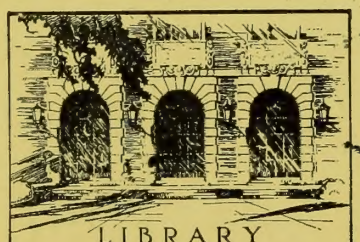

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Bulletin

Vol. XLII, No. 1071 January 4, 1960

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THE DEPARTMENT OF STATE

Bulletin

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January 4, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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North Atlantic Council Begins Ministerial Meeting

Following is a statement made by Secretary Herter on his arrival at Paris on December 13, together with the text of a communique issued by the North Atlantic Council on December 17 at the close of the first part of its regular semi-annual Ministerial Meeting, which was held at Paris December 15 to 17.

SECRETARY HERTER'S ARRIVAL STATEMENT, DECEMBER 13

Once again the Foreign, Defense, and Finance Ministers of the NATO countries will meet here in Paris.[1] On December 18 I will meet President Eisenhower in Toulon and accompany him to Paris for the heads-of-government meeting beginning the following day.

At the meeting of the NATO Council this year we will consider the state of our Alliance and of our defenses and will discuss the international situation, including plans for a summit meeting.

In considering the international situation, our assessment should be a realistic one. The sense of crisis appears to have lessened of late. We welcome this, but it remains to be seen whether the Soviet Union is prepared to negotiate seriously to reach equitable settlements of major issues. It would be a grave error to base our plans for the future on a more optimistic appraisal than is warranted by the facts.

The defensive strength of the NATO Alliance and its further improvement continues to be of fundamental importance. The economic strength and material well-being of the NATO member countries have grown substantially even while NATO has made steady progress in building its defenses. This fact testifies to the vitality and the energy of the peoples whose security and well-being our Alliance serves. I am confident these same qualities will also serve our common needs in the future.

With respect to the United States, let me say that we have always given our full support to NATO. This continues to be our policy. The United States will, as it always has done, discharge its responsibilities in NATO and carry its fair share.

[1] For a departure statement by Secretary Herter and an announcement of the U.S. delegation, see BULLETIN of Dec. 28, 1959, p. 934.

FIRST COMMUNIQUE, DECEMBER 17

Press release 865 dated December 18

The North Atlantic Council began its regular Ministerial session in Paris on December 15. At the opening meeting, which marked the inauguration of the permanent headquarters of NATO at the Porte Dauphine, statements were made by M. Michel Debré, Prime Minister of the French Republic, and Mr. Halvard Lange, President of the Council and Norwegian Minister for Foreign Affairs.

The Council devoted three days to a thorough discussion of the affairs of the Alliance, beginning with a review of the international situation. The Ministers unanimously reaffirmed their confidence in the North Atlantic Alliance, and agreed that it will remain indispensable during the coming years. They instructed the Permanent Council to undertake long-term planning, to cover the next ten years, on the objectives of the Alliance in the political, military, scientific and economic fields, and in regard to arms control.

The Council also agreed that various economic problems, as they relate to NATO, should form the subject of further study in the Permanent Council.

The Council examined the military situation. It took cognizance of the fact that Soviet military strength continues to grow. Current NATO de-

fense plans therefore remain valid. In view of this, and in the light of the Annual Review, the Ministers agreed that a determined effort is required to guarantee the necessary strength of the Alliance. They expressed confidence that on the basis of the progress already achieved and in view of favorable economic developments in most NATO countries, this essential task is certainly within the ability of the Alliance as a whole.

The Council reaffirmed that general and controlled disarmament remains the goal of the West. Every opportunity will be taken to make progress in this direction. Until this goal is achieved, however, the Alliance cannot afford to neglect the measures necessary for its security.

The Ministers had a full discussion on the forthcoming negotiations between East and West and agreed on the procedures whereby NATO will continue to participate in the preparations for these negotiations. The Council will resume these discussions on December 22, after the meeting of Heads of Government, and a second communique will then be issued.

The Council concluded by expressing the hope that the negotiations between East and West will advance the solution of important problems and thus serve the ideals of peace and security which the Alliance has always upheld and defended.

At the invitation of the Turkish Government the next Ministerial session of the Council will take place in Istanbul in May, 1960.

Importance of Cultural Ties in Franco-American Alliance

by Under Secretary Dillon[1]

We in the Department of State applaud the outstanding contribution which the Lafayette Fellowship Foundation is making to the long and cherished tradition of Franco-American friendship and cooperation. Today's pressing need to strengthen free-world unity calls for ever-closer ties between the American people and the great, liberty-loving people of France. The Lafayette Foundation, through its scholarship program for exceptionally gifted French graduate students, is immeasurably enhancing this relationship.

Lafayette fellows are offered an opportunity to acquire a broad knowledge of the United States and of the lives and aspirations of our citizens. They are exposed to our uniquely productive economic system. They are eyewitnesses to our political and civic activities. They participate in our cultural affairs and learn to appreciate the spiritual and moral values we hold so dear.

Although this program is only 4 years old, I am confident that we will soon see the day when Lafayette fellows will be numbered among the active leaders of France's social, economic, and political life. By sending back to France a succession of potential leaders who have a full understanding of the United States and its people, the Foundation is rendering an invaluable service to both nations.

There has never been a time in history when there was greater need for better understanding between all nations and all peoples. Indeed, mutual understanding is an imperative of 20th century existence if we are ever to ease the tensions which beset today's sorely troubled and sadly divided world. The ties which bind France and the United States together are a shining example of an admirable alliance in which understanding goes hand in hand with mutual respect and warm friendship.

These ties have been formed over a period of nearly 200 years by ideals commonly held, by experiences commonly shared, and by bloodshed in a common cause. They have been strengthened

[1] Address made before the Lafayette Fellowship Foundation at New York, N.Y., on Dec. 15 (press release 859). On this occasion Mr. Dillon received the Lafayette Gold Medal Award as a "statesman and diplomat who has dedicated his life and career to the finest tradition of democratic friendship."

by an interchange of opinions and customs and by a continuing and lively interest in each other's language and culture.

French Influence in America

French influence has been strong in America since the early days of the exploration and colonization of the continent. It is to French explorers, such as Jacques Cartier, Samuel de Champlain, Robert de La Salle, Louis Joliet, and the French missionaries—of whom Père Marquette is an outstanding example—that we owe the exploration of the Great Lakes region and the Mississippi basin. The memory of these French explorations lives on in ringing place names: Detroit, Des Moines, Vincennes, Terre Haute, Fond du Lac, and a host of others. Père Marquette alone has given his name to a great university, a railway system, a river, two counties, and five towns and villages.

During colonial days another strong current of French influence was evident in the successive waves of Huguenot immigrants who settled along the Eastern seaboard from New England to the Carolinas. The Huguenots were mostly artisans and tradesmen, and, through their knowledge and skills, they contributed significantly to the building of colonial America.

As our American Revolution developed, our leaders drew inspiration and encouragement from the French philosophers of the 18th century. In particular, the political theories propounded by Montesquieu in his remarkable work *L'Esprit des Lois* had a profound influence on the framers of the American Constitution. The extent of the political, military, and material assistance furnished by France to the Revolutionary American Colonies—in one of the earliest "foreign aid" programs—is too well known to require elaboration here. We have a perpetual reminder in the serene and lovely Lady of Liberty presented to us by France, who marked her 75th anniversary in New York Harbor last July.

A quarter of a century after our liberty had been won with the help of French troops led by Lafayette and Rochambeau, there occurred an episode which provides a deep insight into the character of the great Frenchman whose name is proudly borne by this foundation. When the Territory of New Orleans—which the French had begun to colonize nearly a hundred years before—became a part of the Union in 1803, the United States Congress granted a tract of land to General Lafayette. Through an inadvertence, a portion of that same tract was later granted to the Corporation of New Orleans. Lafayette was assured by eminent jurists that he was in the right and was urged to put forth his claim. To which that gallant soldier replied:

> I cannot consent even to inquire into the validity of my title. It was gratuitously bestowed by Congress, and it is for them to say what was given. I cannot for a moment think of entering into litigation with any public body in the United States.

On the tract that Lafayette so gracefully relinquished was built the city of New Orleans. To this day the citizens of New Orleans take justifiable pride in their French heritage. For the French epoch has left behind an indelible imprint on their architecture, customs, cuisine, and family names.

In recent times French influence in the United States has been exercised primarily through artists, writers, and teachers of both nations. Since the early days of this century, when the Paris school of painting gained undisputed primacy, American artists have flocked to that lovely city. Many American writers, and particularly those of the generation which came to maturity between the two world wars, found in Paris the intellectual and artistic atmosphere most congenial to their work. Since the last war the number of American students enrolled in French universities—more than a thousand annually—has been larger than that from any other foreign country.

The number of French students in this country is growing and now averages about 600 each year.

French continues to be one of the most popular foreign languages in American universities and colleges. From a study of the language many American students are able to move on to a first-hand acquaintance with the great classics of French literature. The works of French dramatists, from Molière and Rostand to Sartre, are produced on Broadway and by little theater groups across the country. The output of France's motion picture studios has always found an appreciative audience here, and many French entertainers and popular ballads are almost as well known on Main Street as they are along the Champs Elysées.

The French have enriched our American social fabric in another significant manner. They have brought us a certain grace and joy of living. Our

Puritan and pioneer ancestors had many excellent qualities, but urbanity and gaiety were not conspicuously among them. Thanks in good part to French influence over the years, we have a more cosmopolitan outlook on life. Certainly French influence can be found everywhere about us: on our restaurant menus, on the dining tables of our homes, in our shops and fashions, our art and architecture and interior design, and in our everyday conversation and humor.

Two-Way Cultural Avenue

From the earliest days of our Franco-American friendship the flow of influence and ideas between the two countries has been reciprocal. The architects of that monumental event of history, the French Revolution, owed much to the earlier American Revolution. In 1789 Thomas Paine said, "The principles of America opened the Bastille." In recognition of the influence of the American experiment on the French Revolution, Lafayette sent the key of the Bastille to George Washington, who accepted it as "a token of the victory gained by liberty."

After the revolutionary periods, the heavy traffic in words and ideas was maintained. Frenchmen who have come to our shores have been eager to weigh our qualities and to draw parallels between the two democracies. Such brilliant observers of the American scene as De Tocqueville stimulated French interest in the United States. More recent literary explorers have been André Siegfried and André Maurois. Jacques Maritain, who has lived among us for nearly a quarter of a century, has eloquently expressed faith in the United States as "a country entirely turned toward the future, not the past."

This two-way cultural avenue made the novels of Fenimore Cooper as familiar to the French turn-of-the-century schoolboy as were the works of Dumas to his American contemporary. In our own days the plays of Arthur Miller and Tennessee Williams, the novels of Hemingway and Faulkner, are accorded a respectful and searching attention in France—an attention given to few other foreign writers. We reciprocate with our interest in such modern French writers as Gide, Camus, Rolland, and Mauriac.

Perhaps one of the most golden pages in this history of cultural exchange was written during France's dark days of 1940, when more than a hundred French artists, professors, and scholars came to this country, where they were able to keep the vitality of French thought and culture alive and free. Many accepted teaching and research assignments at leading American universities. Others formed, at the New School for Social Research in this city, the nucleus of what has since become the French University in New York.

U.S. Aware of France's Resurgent Strength

In discussing Franco-American cultural ties I cannot help recalling that in the past certain of our French friends have taken us to task for what they believed, rightly or wrongly, was our preoccupation with the material aspects of civilization and the day-to-day practicalities of international relations. Today, as I learned during my all-too-brief visit to Paris,[2] some of these same friends feel that we are being overly sentimental about their country. They fear that concentration on past glories may be causing us to overlook the realities of the new France.

I can assure our friends that their concern is unwarranted. We are well aware of France's resurgent strength. Over the past 10 years French industrial production has grown at a prodigious rate. In the last 5 years alone industrial output has increased by nearly 50 percent.

At a time when the Soviet Union is talking of the supposed "decadence" of the Western democracies and is seeking to project its own image to the newly developing countries as the ideal blueprint for rapid industrial growth, it is important that France's remarkable recovery has proceeded at a pace at least equaling that of the Soviet Union and that it has been achieved within the framework of a society erected on the ideals of individual liberty and human dignity. This is eloquent testimony that freedom, not tyranny, is the wave of the future.

France is the oldest ally of the United States. This alliance has survived nearly two centuries of wars and revolutions and is today one of the foundations of the foreign policies of both our countries. Today our alliance has a new form, that of the Atlantic Pact, in which—for the first time during peacetime—France and the United

[2] Mr. Dillon was at Paris Dec. 11–14 during a visit to Europe for discussions with economic officials. For an announcement of his itinerary, see BULLETIN of Dec. 14, 1959, p. 862.

States find themselves associated in an organization for the defense of their common patrimony, both territorial and spiritual. It is fitting that France was chosen as the seat of NATO and that an American has been chosen as its military commander. For both countries have been among the most ardent defenders, propagators, and practitioners of those ideas which the Atlantic Pact is designed to protect.

As always, we look upon France as a stanch friend and ally. We fully recognize and welcome the industrial and economic rebirth that is taking place in France. Our tourists, students, and young artists will continue to be drawn to France as the repository of a great culture. In truth, the reality of France today is the sum and total of qualities both old and new which give her a unique and influential place in world affairs. And today, more than ever before, we realize the importance of cultural ties in cementing our alliance.

I regret that my good friend, Ambassador Hervé Alphand, was called to Paris and is unable to be with us tonight. For I can think of no better way of stressing the value of French-American cultural interchange than by quoting from one of his recent speeches. He said:

> The unique brotherhood which, for nearly two centuries, has bound our two countries together in the political field, obtains also in the cultural field, and it is hard to imagine how one could exist without the other.

By exerting its efforts to achieve ever-closer relations, the Lafayette Foundation is not only serving the best interests of France and the United States but also the cause of human freedom everywhere.

U.S. Protests to Czechoslovakia on Anti-American Exhibit

Press release 855 dated December 15

The U.S. Embassy at Prague delivered the following note to the Czechoslovak Government on December 12.

The Government of the United States is surprised to learn of an exhibit displayed at the Klement Gottwald Museum in Prague. This exhibit contains a number of items highly offensive to the United States Government since they are false in content and markedly anti-American in character. The exhibit includes, for example, a photograph of twelve severed human heads lying on the ground, with a caption: "American head hunters and their helpers. The methods of colonialists do not change." Another part of the display refers to General MacArthur as a "mass murderer".

An exhibit of this character could not be displayed without the sanction of Czechoslovak authorities. Such an exhibit is clearly inconsistent with repeated statements by the Czechoslovak Government of its desire to improve Czechoslovak–United States relations and seems deliberately calculated to worsen rather than ease the international atmosphere.

U.S. Replies to Soviet Protest on German Draft Radio Legislation

Following is an exchange of correspondence between the United States and the U.S.S.R. concerning German draft legislation providing for the establishment of a central radio network with headquarters in West Berlin.

U.S. NOTE OF DECEMBER 15[1]

The Government of the United States received the Soviet Government's note of November 11, 1959 with some surprise, for it appears to have been prompted by certain misapprehensions about those procedures and safeguards which have long been in effect regarding the application of Federal German legislation and the operation of Federal German agencies in Berlin. The importance which the United States, as one of the occupying powers, attaches to the maintenance of the special status of Berlin has been dealt with in numerous communications to the Soviet Union.

The Government of the United States wishes to reaffirm the principle of four power responsibility for Greater Berlin and notes that the desire of the Soviet Government to avoid interference with Berlin's special status is reflected in the reference note.

In view of the experience of the past ten years, it

[1] Delivered to the Soviet Ministry of Foreign Affairs by the American Embassy at Moscow on Dec. 15 (press release 861 dated Dec. 16).

seems superfluous to remind the Soviet Government of the arrangements which the occupation authorities have long kept in force to insure that the relationships of the German Federal Republic and Berlin are compatible with the special status of the city. The Government of the United States is not aware that any proposal raised to date for the establishment of a Deutschlandfunk contains features which are incompatible with the special status of Berlin.

In view of the foregoing, the Government of the United States believes that the considerations expressed by the Soviet Union in its note are not valid.

SOVIET NOTE OF NOVEMBER 11[2]

Unofficial translation

92/OSA

The Government of the Union of Soviet Socialist Republics considers it necessary to draw the attention of the Government of the United States of America to the following question:

On 30 September the Government of the FRG [Federal Republic of Germany] approved and sent to the Bundestag for its consideration draft legislation on radio broadcasting which provided for the establishment in West Berlin of the West German radio station "Deutschland-Funk". According to the draft legislation the radio station would be run by representatives of the FRG and of the Laender.

This decision of the Government of the FRG is illegal because it is incompatible with the existing statute of West Berlin. As is generally known—and was confirmed by the participants of the Geneva Conference of Foreign Ministers—West Berlin has never been a part, and is not now a part, of the state territory of the FRG, cannot be governed by organs of the Federal Government, nor does the jurisdiction of FRG authorities extend to it.

It must be noted that this is not the first time the Government of the FRG has attempted illegal interference in the internal affairs of West Berlin. The Soviet Government has already called the attention of the Government of the USA to this fact, particularly in connection with the holding of elections in West Berlin for president of the FRG. Recently the authorities of the FRG again selected West Berlin as a place for holding elections, for purposes of show—this time for president of the West German Bundesrat.

The creation of the radio station in West Berlin now being undertaken by the Government of the FRG cannot be looked upon as other than an attempt to intensify subversive activity and hostile propaganda from the territory of West Berlin, which testifies to its lack of desire to take into consideration the readiness expressed by participants of the Geneva Conference to resolve the question of not permitting such activity.

The plan for the creation of a West German radio station in West Berlin, in the center of another state, clearly has as its purpose the intensification of hostile activity against the German Democratic Republic. The Soviet Government considers the aforementioned activities of the Government of the FRG as a new provocation which is calculated to make the atmosphere in Berlin and all of Germany more tense and to fan the flames of the "cold war" in the center of Europe. The activities of the Government of the FRG cannot be considered as anything but a premeditated attempt to interfere with the successful conclusion of forthcoming negotiations on the Berlin question at a time when more favorable foundations for the attainment of an agreement on West Berlin have been created as a result of conversations between the Chairman of the USSR Council of Ministers N. S. Khrushchev and the President of the USA D. Eisenhower.

In connection with the foregoing the Soviet Government expects that the Government of the USA—which has repeatedly declared that it, together with the Governments of Great Britain and France, bears responsibility for the situation in West Berlin—will take the necessary measures to preclude the possibility of the authorities of the FRG conducting such illegal activities with respect to West Berlin.

Similar notes are also being sent by the Soviet Government to the Governments of Great Britain and France.

Moscow, *November 11, 1959*

[2] Handed to American Ambassador Llewellyn E. Thompson at Moscow by Soviet Deputy Foreign Minister V. S. Semenov.

Congressional Documents Relating to Foreign Policy

86th Congress, 1st Session

Discussion of Activities of Panama Canal Company. Hearing before the House Merchant Marine and Fisheries Committee. April 14, 1959. 9 pp.

Agreement for Cooperation Between the United States and the International Atomic Energy Agency. Hearing before the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy. June 30, 1959. 94 pp.

Passport Reorganization Act of 1959. Hearings before the Special Subcommittee of the Senate Government Operations Committee. August 26–September 1, 1959. 568 pp.

Rio Grande International Storage Dams Project: Proposed Amistad Dam and Reservoir (formerly known as Diablo Dam). Report of the International Boundary and Water Commission, United States and Mexico, United States Section. S. Doc. 65. September 9, 1959. 153 pp., with charts and maps.

United States Foreign Policy: Developments in Military Technology and Their Impact on United States Strategy and Foreign Policy. A study prepared at the request of the Senate Foreign Relations Committee by the Washington Center of Foreign Policy Research, the Johns Hopkins University. No. 8. December 6, 1959. 120 pp. [Committee print.]

New Nonimmigrant Visa Regulations

by Hallie Mae Pryor

The Department of State announced recently that it had issued new regulations designed to speed the issuance of visas to aliens who want to visit the United States.[1] The regulations, with a delayed effective date of January 1, 1960, were published in the *Federal Register* of August 18, 1959,[2] thus giving more than 4 months' advance notice to those interested persons who wished to comment or offer suggestions on the new provisions. Comments were also specifically invited from the Federal Bar Association, the American Bar Association, and the Association of Immigration and Nationality Lawyers.

The first general regulations governing the issuance and refusal of visas were issued by the Visa Office on June 13, 1946, and became effective September 10, 1946. These regulations were published pursuant to section (3) (A) of the Administrative Procedures Act of June 11, 1946, which required every agency to separately state and currently publish in the *Federal Register* substantive rules adopted as authorized by law. Published as part 61 of title 22, these regulations were comprehensive in nature and laid down the basic pattern which has since been followed in the issuance of all visa regulations. With minor amendments and a change in 1948 in the part number to 42, they remained in effect until the regulations issued pursuant to the Immigration and Nationality Act were published on December 19, 1952.

While the Department claims exemption from the provisions of section 4 of the act requiring advance notice of proposed rulemaking, the Visa Office does publish advance notice of such amendments whenever there appears to be sufficient public interest. Such was the case of an amendment requiring certain additional information to be submitted in connection with applications for crew-list visas.

Furthermore, visa regulations contain a considerable amount of interpretive material. For example, much of the material contained in section 41.91(a) (9), (10), and (12) was formerly contained in administrative instructions but has now been incorporated into the regulations. Sections 41.25 (b) and (c), 41.40(b), 41.55(c), and 41.91 (a) (28) also contain interpretations. This material is included in the regulations to keep the public informed of the statutory and regulatory constructions of the Department, since there are no published decisions on visa matters and very few visa questions find their way into the courts. The Visa Office Bulletin also serves to keep the public informed with regard to interpretations of the immigration laws made by the Department.[3]

Simplification of Procedures for Issuing Visas

During the last 5 years remarkable progress has been made in the simplification and liberalization of the procedures governing the issuance of nonimmigrant visas. On March 30, 1954, in his message to Congress on the foreign economic policy

• *Mrs. Pryor is chief of the Regulations Branch of the Visa Office, Department of State. This article is based on an address which she made before the Federal Bar Association at Washington, D.C., on November 18.*

[1] BULLETIN of Sept. 7, 1959, p. 349.

[2] 24 *Fed. Reg.* 6678.

[3] Persons wishing to receive the Visa Office Bulletin may have their names placed on the mailing list upon request to the Visa Office, Department of State, Washington 25, D.C.

of the United States, the President stressed the cultural and economic importance of international travel and stated:[4]

> Meanwhile, in the executive branch, I shall instruct the appropriate agencies and departments, at home and abroad, to consider how they can facilitate international travel. They will be asked to take action to simplify governmental procedures relating to customs, visas, passports, exchange or monetary restrictions and other regulations that sometimes harass the traveler.

A directive was subsequently issued by the President to the Departments of State, Commerce, Justice, and the Treasury on May 26, 1954, requesting that the action indicated in the message be taken. In complying with the President's directive the Department has initiated a systematic program of expediting the documentation of bona fide nonimmigrants consistent with the immigration laws and regulations, particularly those provisions relating to the security of the United States.

The first and perhaps the most significant change was a regulatory amendment published on June 30, 1955, which permitted all bona fide nonimmigrants to be issued nonimmigrant visas and to have their names entered or retained on a quota or subquota waiting list with the exception of (1) exchange visitors, (2) aliens who willfully violated their nonimmigrant status while in the United States, and (3) aliens who had been deported from the United States and had not been granted permission by the Attorney General to reapply following deportation. Under the regulation as amended a consular officer will issue a nonimmigrant visa to an alien registered on a quota registration list if he is satisfied that for the purpose of the visit presently contemplated the alien is a bona fide nonimmigrant; that is, he can and will depart from the United States upon the conclusion of his temporary stay in this country. It was thus recognized that an alien might qualify as a nonimmigrant for the purpose of making one or more trips to the United States even though he might have an eventual intention of immigrating to this country. The regulations provide that the names of aliens who violate their nonimmigrant status in the United States will be removed from the registration list and may not be reinstated under their original priority.

Simultaneously with the publication of this regulation the period of maximum validity of nonimmigrant visas was extended from 24 to 48 months in cases of aliens who are nationals or stateless residents of foreign countries whose governments issue visas to U.S. nationals in a similar class valid for an equivalent period or whose governments do not require visas of U.S. nationals in a similar class visiting that country. Sections 221 (c) and 281 of the act require that, insofar as practicable, the validity of nonimmigrant visas and the fees charged therefor shall be governed by reciprocity. Under the statute visa requirements may be waived on a reciprocal basis only for nationals of foreign contiguous territory or adjacent islands so that the United States cannot reciprocate fully if a foreign country does not require visas of U.S. nationals proceeding to that country. The Department can, however, issue to nationals of such countries nonimmigrant visas valid for 4 years and an unlimited number of applications for admission without fee. The regulations published on June 30, 1955, also provided that nonimmigrant visas could be revalidated any number of times without a formal application up to a period of validity not extending more than 4 years from the date of original issuance.

Following publication of these regulations, the Department made representations to the governments of foreign countries in an effort to obtain a liberalization of their treatment of American citizens entering those countries as nonimmigrants with respect to the validity of nonimmigrant documentation and the visa fees charged. As a result of this effort there are now 65 countries which either issue 4-year nonimmigrant visas to U.S. citizens free of charge or do not require visas at all of U.S. citizens visiting those countries, and the United States in turn issues 48-month no-fee visas to nationals of these countries.

Combined Business and Pleasure Visa

Early in 1956 the Department authorized consular officers to issue a combined B–1 and B–2 visa to aliens who might wish to make several entries into the United States, some entries for business and some for pleasure. If the country of which an applicant for this type of visa is a national charges a fee for either a business or pleasure visa, the consular officer must charge an equal fee. The Department also provided at that time that a visa valid for two applications for admission might

[4] Bulletin of Apr. 9, 1954, p. 602.

be issued to an alien who intended to make more than one entry into the United States in the course of a single journey regardless of the practice of the applicant's country in documenting American citizens. It was felt that, in view of the reciprocity requirements of the law, not more than two entries could be permitted in such a case, but it was thought that Congress certainly intended that an alien who wanted to make a visit to the United States and proceed briefly to Canada, Mexico, or some other nearby country and then return to his homeland through the United States should be permitted to do so without the necessity of applying for a new visa in a country in which he has no ties.

Prior to 1957 the law required that all nonimmigrants, except certain foreign government and international organization officials, be fingerprinted in connection with their visa applications. As a result of strong recommendations by the President and the Department, the Congress provided in section 8 of the act of September 11, 1957, that the Secretary of State and the Attorney General should have authority to waive fingerprinting of foreign nationals in nonimmigrant visa cases on a reciprocal basis. Although at the time of the enactment of this legislation several foreign countries fingerprinted U.S. citizens entering those countries as nonimmigrants, these requirements were eliminated as a result of representations made by our embassies; and at the present time we do not fingerprint nonimmigrant visa applicants of any nationality. Thus the reciprocal statutory provisions relating to the validity of nonimmigrant visas, the fees charged for visa issuance, and fingerprinting of nonimmigrants have not only facilitated travel to the United States of alien nonimmigrants but have also enabled the Department to obtain concessions for U.S. citizens traveling abroad which have freed such travel from certain fairly serious annoyances.

During these years the Department also undertook to standardize nonimmigrant visa procedures. A standardized preliminary nonimmigrant questionnaire was developed for use in cases in which there is question as to the bona fide nonimmigrant status or the eligibility of a nonimmigrant visa applicant to receive a visa. The form is also used in cases in which an alien resides at a considerable distance from the consular office and it is therefore necessary to conduct the preliminary processing of the case by mail. The official nonimmigrant visa application form was revised and simplified and now consists of a three-by-five card designed for use as an index card by the consular office. It requires completion of approximately 10 items of information, most of which are required by statute, and is completed in single copy only.

Principal Changes in the Regulations

The Department has attempted, in the new nonimmigrant visa regulations which will become effective on January 1, 1960, not only to streamline the processing of nonimmigrant visa applications but to make as easily accessible and as clear and unambiguous as possible the information which consular officers must have in order to exercise the visa function properly. Significant changes made in the new regulations are listed in Visa Office Bulletin No. 45.

One of the important editorial changes in the new regulations is the avoidance of all repetitions of the statute. In earlier regulations certain provisions of the law were included without any distinction being made between statutory and regulatory requirements. For example, with regard to students, the regulations formerly provided in part that an applicant for a student visa must establish that (1) he has a residence in a foreign country which he has no intention of abandoning, (2) he is a bona fide student qualified to pursue and is seeking to enter the United States temporarily and solely for the purpose of pursuing a full course of study as prescribed by the institution of learning to which he is destined, and (3) he will attend and has been accepted by an institution of learning approved by the Attorney General as evidenced by the presentation of a Form I–20. The first requirement is statutory, the second is in part statutory and in part regulatory, the third regulatory; but there was no indication to this effect in the regulations themselves. Now the regulations say "an alien shall be classifiable as a nonimmigrant student if he establishes to the satisfaction of the consular officer that he qualifies under the provisions of section 101(a)(15)(F) of the Act *and that*"—and then follow on with the regulatory requirements which implement the statute.

Experience demonstrated that those using the earlier regulations, knowing that statutory pro-

visions were included in the regulations, might have felt that they could be governed by the regulations alone and need not refer to the statute. Since all applicable provisions of the law could not be put in the regulations, important statutory requirements might be overlooked. Now it is clear from the regulations themselves that the law must first be consulted and then the regulations. Consular officers have a complete collection of all statutes, treaties, Presidential proclamations, and Executive orders bearing upon immigration.

Other editorial changes include the expansion of the section on definitions, which now contains all definitions of terms which are used in more than one section of the regulations and an increased use of cross references.

The regulations are organized so that they follow as closely as possible the sequence in which a visa application is normally processed. When an individual makes application the consular officer must first determine whether he is a person to whom a visa can be issued and whether a visa is necessary. Therefore, the first sections deal with the documentation of nationals, claimant nationals, and former nationals of the United States, and the waivers of passport and visa requirements. Next, the consular officer wants to know whether the alien is a nonimmigrant and, if so, what classification is appropriate. So the classification sections follow. Sections dealing with the ineligible classes and the provisions under which, in exceptional cases, visas may be issued to aliens falling within certain of these classes, the types of visas which may be issued, whether diplomatic, official, or regular, the procedure to be followed by the alien in applying for his visa, and the procedure for issuing or refusing the visa or revoking a previously issued visa follow in logical sequence.

Other Innovations

The nonimmigrant regulations did not previously contain information on ineligible classes. These provisions were contained in the immigrant regulations and were made part of the nonimmigrant regulations by cross-reference only. Now there is a complete discussion of the ineligible classes in this part, and all of the exceptions for nonimmigrants are carefully pointed out in this section of the new regulations.

Another innovation is the inclusion of sections 41.100, 41.102, and 41.104 on the types of nonimmigrant visas. Formerly there was a separate part, part 40, dealing with diplomatic visas only, which gave rise to a number of misconceptions. Many persons thought that a diplomatic visa could be issued only to an alien classifiable as a foreign government official, that is, one coming to the United States on business for his government, or to an official of an international organization coming on business of the organization. However, this is not the case. Diplomatic and official visas are visas of courtesy which entitle the applicant to certain privileges in connection with his visa application, such as exemption from the requirement of personal appearance, submission of a photograph, and, on a reciprocal basis, from payment of visa fees. By comity the bearer of a diplomatic or official visa is usually accorded preferential treatment at ports of entry.

The issuance of this type of visa has, however, nothing to do with the granting of diplomatic privileges and immunities to persons who are acting in a representative capacity for foreign governments or international organizations. Diplomatic and official visas may be issued to persons falling within the categories listed in sections 41.102 and 41.104 even though they may be entering as students or on personal business or pleasure, or as exchange visitors. Such persons would be issued a diplomatic or official F visa if coming as students, diplomatic or official B visas if coming on business or pleasure, or diplomatic exchange-visitor visas if entering as participants in a designated exchange-visitor program.

Oath Requirement Eliminated

The requirement that an oath be administered in connection with an application for a nonimmigrant visa has been eliminated. While the elimination of the oath simplifies to a certain extent the visa-issuing process, it does not in any way represent a relaxation of the requirements to be met by visa applicants. The preliminary nonimmigrant visa application form lists the classes of aliens who are barred from permanent admission into this country. These classes include aliens who seek to procure or have sought to procure, or have procured, a visa or other documentation for entry into the United States by fraud or by willful misrepresentation of a material fact.

The nonimmigrant visa application form is

now revised to substitute the following language for the former jurat:

> I declare under the penalties prescribed by law that the information contained in this application, including any statements made a part thereof, has been examined by me and is true, correct and complete to the best of my knowledge and belief and that 18 USC 1001 has been explained to me.[5]

It is believed that requiring a visa applicant to sign the foregoing statement and explaining the penalty provisions of the law will afford adequate safeguards against the making of false statements in nonimmigrant visa applications. Experience has demonstrated that persons who are attempting to effect a fraudulent entry into the United States have little hesitancy in swearing to statements which are not true. On the other hand, many sincere and conscientious persons are offended by the requirement that they take an oath to the truth of the statements contained in their visa applications, particularly in view of the fact that foreign countries generally do not require an oath of American citizens or others desiring to proceed temporarily to those countries. While the oath has been eliminated in connection with nonimmigrant visa applications, the Department is continuing to emphasize the importance and dignity of the oath in connection with immigrant visa applications.

Revalidation and Transfer of Visas

The provisions of 41.125 and 41.126 relating to the revalidation and transfer of visas are of considerable interest to anyone concerned with the problems of aliens who enter the United States as nonimmigrants for fairly extended periods of time, such as students and exchange visitors, and who desire to make trips to nearby countries and return. There are still some countries which issue single-entry visas valid for only a limited period of time to American citizens proceeding to those countries as students or for other cultural purposes. We must, therefore, reciprocate with the issuance of visas similarly limited. Interestingly enough, these countries are, in many instances, ones which send a large contingent of students and exchangees to the United States; for example, Brazil, Ecuador, India, Indonesia, Iraq, Peru, and the United Arab Republic.

Canada, Mexico, and other nearby countries will not admit an alien who is in the United States in a nonimmigrant status unless that alien has in his possession a document valid for reentry into the United States. An alien who has a single-entry visa, or whose visa has expired, or whose passport has expired and must be surrendered to the appropriate authorities of his own government for issuance of a new passport is not in a position to meet this requirement. Under prior regulations the visa could not be revalidated or transferred unless the alien was abroad and within the jurisdiction of the consular office to which he applied for a revalidation or transfer of his visa.

Under the new regulations consular officers may in their discretion waive the personal appearance of an applicant for revalidation or transfer of a nonimmigrant visa and the alien need not be within the consular district at the time of such application. Therefore an alien in the United States with a nonimmigrant visa limited by reciprocity may mail his passport containing the visa—or a new passport with a statement from the consular authorities of his own government to the effect that his passport containing a valid U.S. visa has been taken up by those authorities and replaced with a new passport—to the consular office which issued his original visa and request a revalidation or transfer. If the consular officer is satisfied that the alien is maintaining nonimmigrant status in the United States and is otherwise qualified, he may revalidate or transfer the visa and return it by mail to the alien in the United States. It is believed that this procedure will prove to be a satisfactory solution to what has previously constituted an insuperable obstacle to the travel of many foreign students and exchange visitors to nearby countries.

Review of Visa Refusals

Applicants for visas are afforded ample protection under the new regulations against arbitrary or unjustified refusal. The provisions of section

[5] 18 USC 1001 reads as follows:

"Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five years, or both."

41.130(c) continue a procedure which has been the regular practice of the Department but which has never been stated so fully in regulations. The Department has in the past, at the request of an interested person, called upon consular officers to submit reports in cases in which there is any indication that a visa may have been refused erroneously. The Department may not, of course, direct a consular officer to issue a visa in any case, but it can give the consular officer the benefit of its advisory opinion, and, if an error in interpretation of law has been made, the Department's ruling is binding.

Section 41.90 provides that a visa is to be refused only upon a ground specifically set out in the law or regulations issued thereunder and further provides that consideration is to be given to any evidence submitted indicating that the ground for a prior refusal of a nonimmigrant visa may no longer exist. Thus there is no room for arbitrary visa refusals or for the exercise of whim or fancy.

The provisions of section 41.130(b), although reflecting longstanding practice, have now for the first time been put in regulatory form. Under this section the Department or the principal consular officer at a post may request review of a case and final action by a consular officer other than the one who originally considered the application.

Other protections afforded to visa applicants in the new regulations are contained in sections 41.91 (c)(2) and 41.111(a).

Under the provisions of section 221(g)(2) of the act a visa must be refused (1) if the alien's application fails to comply with the provisions of the act; that is, if the applicant fails to furnish the information required to be included in the application by the act or regulations; (2) if the application contains a false or incorrect statement which does not constitute a ground of ineligibility under section 212(a)(9) or (19) of the act; (3) if the application is not supported by the documents required by the act or regulations; (4) if the applicant refuses to be fingerprinted when fingerprinting is required; or (5) if the application otherwise fails to meet the specific requirements of the act for reasons for which the applicant is responsible.

Section 41.91(c)(2) points out that these grounds of refusal do not constitute a bar to the reconsideration of the application upon compliance with statutory or regulatory requirements or to the consideration of a subsequent application submitted by the same applicant. Section 41.111(a), which gives the consular officer authority to require such documents as he may consider necessary to establish the alien's eligibility to receive a nonimmigrant visa, also provides that all documents submitted and any other evidence adduced by the alien is to be given consideration by the consular officer, including briefs submitted by attorneys or other representatives. The latter provision was inserted at the specific request of an attorney who felt that sufficient attention had not been given to arguments which he had submitted in behalf of a client. Consular officers must, of course, be governed by what they consider to be the applicant's intention as expressed in his own statements and actions, but they will give consideration to supporting statements made by attorneys or other representatives of the visa applicant.

In the new regulations effective January 1 the Department of State has evidenced its interest not only in expediting and facilitating nonimmigrant travel to the United States but in insuring that every applicant who is legally eligible to receive a nonimmigrant visa will receive that visa. The Foreign Service officers who represent the United States abroad are well equipped to carry out these objectives. They not only are trained in the basic economic and political structure of the country to which they are assigned but also are thoroughly acquainted with the customs and characteristics of the people with whom they are dealing. Experience with nationals of many foreign countries enables Foreign Service officers to develop an understanding of these people which is of invaluable assistance in making the determinations required in the issuance of nonimmigrant visas. Through the Foreign Service Institute Visa Training Course and the Correspondence Course in visa work they are constantly improving their knowledge and understanding of the immigration laws and regulations. Further, the Visa Office has adopted a systematic plan for continuing review and improvement of the regulations themselves and the instructions distributed to the field for the guidance of consular officers in the administration of the immigration laws.

Calendar of International Conferences and Meetings[1]

Adjourned During December 1959

ITU Administrative Radio Conference	Geneva	Aug. 17–Dec. 22
U.N. General Assembly: 14th Session	New York	Sept. 15–Dec. 12
ITU Plenipotentiary Conference	Geneva	Oct. 14–Dec. 22
Conference on Antarctica	Washington	Oct. 15–Dec. 1
U.N. ECE Committee on Agricultural Problems: 11th Session.	Geneva	Nov. 30–Dec. 4
U.N. Seminar on Evaluation and Utilization of Population Census Results.	Santiago	Nov. 30–Dec. 18
ICAO Facilitation Division: 5th Session	Rome	Dec. 1–19
U.N. ECAFE Seminar on Management of Public Industrial Enterprises.	New Delhi	Dec. 1–11
U.N. Trusteeship Council: 10th Special Session	New York	Dec. 2 and 14
1st FAO International Meeting on Date Production and Processing.	Tripoli	Dec. 5–10
U.N. ECE Housing Committee: 19th Session (and Working Parties).	Geneva	Dec. 7–11
FAO Plant Protection Committee for Southeast Asia and Pacific Region: 3d Meeting.	New Delhi	Dec. 7–12
International Criminal Police Organization: 28th General Assembly.	Paris	Dec. 8–10
U.N. Special Fund: 3d Session of Governing Council	New York	Dec. 8–10
Caribbean Commission: 29th Meeting	Cayenne, French Guiana	Dec. 9–16
UNICEF Executive Board and Program Committee	New York	Dec. 11 (1 day)
South Pacific Commission: Study Group on Filariasis and Elephantiasis.	Nouméa, New Caledonia	Dec. 12–24
U.N. Economic and Social Council: 28th Session (resumed)	New York	Dec. 14–15
U.N. ECE Coal Trade Subcommittee: 44th Session	Geneva	Dec. 14–15
U.N. ECE Coal Committee: 48th Session	Geneva	Dec. 14–15
U.N. ECE Inland Transport Committee: 19th Session	Geneva	Dec. 14–18
FAO International Rice Commission: Working Party on Rice Production and Protection.	Peradeniya, Ceylon	Dec. 14–19
FAO International Rice Commission: Working Party on Rice Soil, Water, and Fertilizer Practices.	Peradeniya, Ceylon	Dec. 14–20
U.N. ECAFE Railway Subcommittee: 6th Session; and Working Party of Railway Mechanical Engineers.	Lahore	Dec. 14–22
NATO Council: 24th Ministerial Meeting	Paris	Dec. 15–17, 22
U.N. ECE Experts on Concentration of Workings and Mechanization in Coal Mines.	Geneva	Dec. 15–18
Meeting of Heads of Government (France, Germany, United Kingdom, United States).	Paris	Dec. 19–21

In Session as of December 31, 1959

Political Discussions on Suspension of Nuclear Tests	Geneva	Oct. 31, 1958–

Scheduled January 1 Through March 31, 1960

U.N. ECAFE Industry and Natural Resources Committee: Seminar on Aerial Survey Methods and Equipment.	Bangkok	Jan. 4–
U.N. ECAFE Intraregional Trade Promotion Talks	Bangkok	Jan. 5–
ICEM Executive Committee: 14th Special Session	Geneva	Jan. 5–

[1] Prepared in the Office of International Conferences, Dec. 17, 1959. Asterisks indicate tentative places or dates. Following is a list of abbreviations: CENTO, Central Treaty Organization; CCITT, Comité consultatif international télégraphique et téléphonique; ECAFE, Economic Commission for Asia and the Far East; ECE, Economic Commission for Europe; ECOSOC, Economic and Social Council; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Atomic Energy Agency; IBE, International Bureau of Education; ICAO, International Civil Aviation Organization; ICEM, Intergovernmental Committee for European Migration; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; SEATO, Southeast Asia Treaty Organization; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; WHO, World Health Organization.

Calendar of International Conferences and Meetings—*Continued*

Scheduled January 1 Through March 31, 1960—*Continued*

GATT Group of Experts on Temporary Admission of Professional Equipment.	Geneva	Jan. 11–
U.N. Scientific Committee on Effects of Atomic Radiation: 7th Session.	New York	Jan. 11–
U.N. ECOSOC Subcommission on Prevention of Discrimination and Protection of Minorities: 12th Session.	New York	Jan. 11–
IAEA Board of Governors	Vienna	Jan. 12–
WHO Executive Board: 25th Session	Geneva	Jan. 12–
U.N. ECE Steel Committee and Working Parties	Geneva	Jan. 12–
GATT Panel on Antidumping Duties	Geneva	Jan. 18–
U.N. ECAFE Committee on Trade: 3d Session	Bangkok	Jan. 18–
U.N. ECE Working Group on Industrial Statistics	Geneva	Jan. 18–
UNESCO Meeting on Development of Information Media in Southeast Asia.	Bangkok	Jan. 18–
U.N. ECE *Ad Hoc* Working Party on Gas Problems	Geneva	Jan. 20–
U.N. ECAFE Committee on Industry and Natural Resources: 12th Session.	Bangkok	Jan. 23–
North Pacific Fur Seal Commission: 3d Meeting	Moscow	Jan. 25–
SEATO Preparatory Conference for Heads of Universities Seminar.	Bangkok	Jan. 25–
GATT Committee II on Expansion of International Trade	Geneva	Jan. 25–
International Lead and Zinc Study Group: 1st Meeting	Geneva	Jan. 25*–
U.N. Trusteeship Council: 25th Session	New York	Jan. 25–
U.N. Economic Commission for Africa: 2d Session	Tangier	Jan. 25–
3d ICAO African-Indian Ocean Regional Air Navigation Meeting.	Rome	Jan. 26–
U.N. ECE Electric Power Committee	Geneva	Jan. 27–
CENTO Scientific Council	Tehran	Jan. 30–
FAO Asia-Pacific Forestry Commission: 5th Session	New Delhi	Feb. 8–
ILO Meeting of Experts on Employment Objectives in Economic Planning.	Geneva	Feb. 9–
IBE Executive Board	Geneva	Feb. 15–
Commission for Technical Cooperation in Africa South of the Sahara.	Tananarive, Madagascar	Feb. 15–
GATT Panel on Subsidies and State Trading	Geneva	Feb. 15–
U.N. Commission on Permanent Sovereignty Over Natural Resources: 2d Session.	New York	Feb. 16–
ILO Governing Body: 144th Session	Geneva	Feb. 17–
U.N. Economic Commission for the Far East: 16th Session	Karachi	Feb. 17–
FAO Group of Experts on Rice Grading and Standardization: 5th Session.	Saïgon	Feb. 19–
IMCO *Ad Hoc* Committee on Rules of Procedure	London	Feb. 20–
FAO Consultative Subcommittee on the Economic Aspects of Rice: 4th Session.	Saïgon	Feb. 22–
Inter-American Tropical Tuna Commission: Annual Meeting	San José	Feb. 23–
ICAO Special Meeting on European-Mediterreanean Rules of the Air and Air Traffic Control Communications.	Paris	Feb. 25–
U.N. ECOSOC Commission on Human Rights: 16th Session	Geneva	Feb. 29–
FAO Government Experts on Use of Designations, Definitions, and Standards for Milk and Milk Products.	Rome	February
IMCO Council: 3d Session	London	March 2–
Inter-American Institute of Agricultural Sciences: 5th Meeting of the Technical Advisory Council.	Lima	March 7–
UNICEF Executive Board and Program Committee	New York	March 7–
U.N. ECAFE Conference of Asian Statisticians: 3d Session	Bangkok	March 8–
GATT Committee III on Expansion of International Trade	Geneva	March 14–
5th ICAO North Atlantic Ocean Stations Conference	The Hague	March 17–
2d U.N. Conference on Law of the Sea	Geneva	March 17–
ILO Committee of Experts on Application of Conventions and Recommendations: 30th Session.	Geneva	March 21–
ITU CCITT Working Party 43 (Data Transmission)	Geneva	March 21–
U.N. ECAFE Working Party on Small-Scale Industries and Handicraft Marketing/Canning and Bottling of Fruit and Food in Cooperation with FAO.	Singapore	March 21–
GATT Committee II on Expansion of International Trade	Geneva	March 28–
UNESCO Executive Board: 56th Session	Paris	March 28–
UNESCO Meeting of Administrators on Technical and Vocational Education in Africa.	Accra, Ghana	March 28–
U.N. ECOSOC Commission on Status of Women: 14th Session.	Buenos Aires	March 28–
GATT Renegotiation of Wool-Fabric Agreements	Geneva	March or April

U.N. Agrees To Take No Decision on Hungarian Credentials

Following are two statements made by Henry Cabot Lodge, U.S. Representative to the General Assembly, on the credentials of the Hungarian delegation to the United Nations.

STATEMENT IN CREDENTIALS COMMITTEE, DECEMBER 9

U.S. delegation press release 3339

Mr. Chairman, since the 1956 revolution of the Hungarian people every General Assembly session has refused to accept the credentials submitted by representatives of the present regime in Hungary. By taking no decision on their credentials, the General Assembly has placed the Hungarian representatives in a provisional status. They are thus on notice that the Assembly intends to continue to watch the situation in Hungary closely.

Since the present regime continues its defiance of all efforts of the United Nations designed to bring about an amelioration of conditions in Hungary, the United States believes that this Assembly also should refuse to accept the credentials of the Hungarian delegation.

I therefore move, Mr. Chairman, that this committee take no action on the credentials submitted on behalf of the representatives of Hungary.

The United States believes that the Soviet Union and the present Hungarian regime give us no alternative but to adhere to this procedure. For that reason, Mr. Chairman, the United States moves that the Credentials Committee take no decision on the credentials of the Hungarian delegation.

STATEMENT IN PLENARY, DECEMBER 10

U.S. delegation press release 3343

The United States supports the report of the Credentials Committee.[1] This committee has again recommended that the General Assembly take no decision on the credentials submitted on behalf of the Hungarian delegation.

This recommendation goes back to the 1956 revolution, when the first and second emergency special sessions of the General Assembly decided to place the representatives of the present Hungarian authorities in a provisional status by taking no decision on their credentials. In view of the continuing occupation of Hungary by foreign armed forces and the unremitting repression of the Hungarian people, all subsequent sessions of the General Assembly have likewise refused to accept the credentials of the Hungarian delegation.

Last year the General Assembly again condemned the defiance of United Nations resolutions on Hungary and declared that it would continue to be seized of the situation in Hungary.[2] Sir Leslie Munro was appointed as the United Nations Special Representative for the purpose of reporting on the implementation of the General Assembly's resolutions. In his report submitted on November 25, 1959,[3] Sir Leslie Munro said:

> In the course of the past year, no evidence has been forthcoming of any basic change in the Hungarian situation. . . .

The Soviet Union is continuing its armed intervention in Hungary. The present Hungarian authorities are still persecuting the participants in the 1956 national uprising. The Soviet Union and the Hungarian authorities continue to defy the resolutions of the General Assembly.

In the light of these facts the Assembly has just voted to renew Sir Leslie Munro's mandate.[4]

The United States believes that in the light of these facts the General Assembly is now obliged to accept the recommendation of the Credentials Committee and, in doing so, to refuse to accept the credentials of the Hungarian delegation.[5]

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[1] U.N. doc. A/4346.

[2] For statements by Ambassador Lodge and text of resolution, see BULLETIN of Jan. 12, 1959, p. 55.

[3] U.N. doc. A/4304.

[4] BULLETIN of Dec. 28, 1959, p. 942.

[5] The General Assembly in plenary session on Dec. 10 approved the report of the Credentials Committee by a vote of 72 to 1, with 1 abstention.

534798—60——3

U.N. Reaffirms Principles on Unification of Korea

Statement by Walter S. Robertson
U.S. Representative to the General Assembly[1]

Once again, as for 12 years past, this committee holds in its hands one of the most solemn responsibilities ever entrusted to the United Nations, the hope of unity, freedom, and a just peace for the 31 million people of Korea.

This is a stubborn problem. The Korean people, now as always, ardently desire that their country should be restored to its historic unity and independence. Year after year the United Nations, by large and repeated majorities, has expressed the same unwavering desire on the part of the community of nations. Yet, through 3 tragic years of Communist aggression and war and then through 6 years of fruitless negotiation, the problem has remained.

The root of the problem is simple. The Communist authorities who have fastened an alien tyranny on north Korea refuse to relax their grip and refuse to consider unification of the country except on conditions which would once again lay all of Korea open to Communist military attack. In pursuit of this policy they even deny the United Nations' right to concern itself with this matter.

We may be forgiven for wondering what the authors of this injustice are thinking. Perhaps they are hoping that the free nations will forget about Korea. Perhaps they hope, by the mere passage of time, the outlines of this problem will become fuzzy in our eyes and the United Nations will begin to suffer from a sort of moral deafness in which "might" and "right" sound like the same word. They might then hope to overwhelm the Korean people and conquer all of Korea without the community of nations daring to intervene. Such a situation should give every small, free nation in the world reason to fear for its life.

But, if that is really the hope of the Communist leaders, they should stop deceiving themselves. The United Nations has stood by Korea for 12 years, and it is not going to give up now. The great majority of nations represented in this room are not held together by the iron discipline of an ideology but are held together by something far more profound: our allegiance to the United Nations Charter and to the world of decency for which it stands.

History of Korean Question

Now let us recall briefly the facts of the Korean question and especially the developments since the General Assembly last considered it a year ago.

On December 1, 1943, at Cairo, President Roosevelt, Generalissimo Chiang Kai-shek, and Prime Minister Churchill declared that Korea should become free and independent. This pledge was reaffirmed by the same three powers at Potsdam on July 26, 1945. The Soviet Union, upon its entry into the war against Japan, subscribed to the Potsdam declaration and reaffirmed this pledge at Moscow on December 27, 1945. At that time, in fact, the Foreign Ministers of the United States, the United Kingdom, and the Soviet Union went a step further and agreed that a provisional Korean democratic government should be set up for all Korea, with a view to the reestablishment of Korea as an independent state.

When this Moscow agreement was reached the Communists were already seeking to make permanent the division of Korea which had been intended purely for the purpose of accepting the surrender of Japanese troops in Korea. In September 1945, by agreement among the Allied Powers, the surrender of Japanese troops in Korea was accepted by United States military forces

[1] Made in Committee I (Political and Security) on Nov. 23 (U.S. delegation press release 3309).

south of the 38th parallel and by Soviet forces north of the 38th parallel. Immediately after the surrender the American Military Command in Korea approached the Soviet Command in order to develop a joint policy for the administration of the whole country. The Soviet authorities refused to cooperate. Instead they set up their own occupation zone north of the 38th parallel. Thus the Korean nation was cut in two.

Immediately and repeatedly the United States sought to persuade the Soviet Union to honor its agreement and end the arbitrary division of Korea. At the conference of the Foreign Ministers in Moscow in December 1945, the Soviet Union agreed to set up, with the United States, a Joint Commission in Korea to work out the long-range political and economic problems, including the establishment of a provisional democratic structure for all of Korea. This Commission held 24 meetings, beginning in March 1946, and accomplished nothing.

A joint conference was also set up to deal with immediate and pressing problems. It first met in January 1946. In it the United States proposed a series of measures, including the unification of key public utilities and uniform fiscal policies. The Soviet authorities rejected these proposals. Limited agreements were reached on exchange of mail, radio frequencies, and other minor fields, but even these proved impossible to carry out. The joint conference soon disbanded.

Despite these frustrations the United States, in the spirit of the charter, refused to give up trying for a negotiated solution. Secretary of State George C. Marshall took the matter up directly with Foreign Minister Molotov. As a result, the Joint Commission reassembled, but the deadlock continued.

Later our Acting Secretary of State, Robert A. Lovett, called for a four-power conference to consider the implementation of the Moscow agreement. Again the Soviet Union refused.

Korean Question Submitted to U.N.

Thus it became clear that bilateral talks could accomplish nothing further. At that point the United States, in accordance with the charter, submitted the Korean question to the United Nations.

The General Assembly considered the matter at its second session in 1947. On November 14 it decided to establish the United Nations Temporary Commission on Korea. It recommended that elections be held on the basis of adult suffrage and secret ballot in all of Korea.

The nine-nation United Nations Commission went to Korea. The Soviet authorities in the north refused to permit it to carry on its functions. The Commission then proceeded to hold elections in the southern part of Korea. These elections, held on May 10, 1948, covered an area inhabited by approximately two-thirds of the Korean population. On August 23 a democratic constitution was promulgated in the Republic of Korea.

The General Assembly, in its resolution of December 12, 1948, certified that the government thus formed in Korea was "based on elections which were a valid expression of the free will of the electorate of that part of Korea" and added that "this is the only such Government in Korea."

In September 1948 the Soviet authorities established a puppet regime in the northern part of Korea. I say "puppet" advisedly, because by its very origin this regime had not a shred of independence.

The key leaders in the so-called "Democratic People's Republic of Korea" were Soviet citizens of Korean ancestry. They or their parents were Koreans who migrated into Soviet Asia during the period of Japanese control over Korea. The Soviet occupation authorities brought into north Korea, in 1945 and 1946, a number of these Soviet-Koreans. These men became the backbone of the new north Korean puppet regime. They were installed, usually as vice ministers, in every ministry, in the Communist Party apparatus, and in key positions in the armed forces. Among them were the present "Premier," who goes by the name of a legendary Korean patriot of long ago, Kim Il Sung. About 1930 he migrated into Soviet territory and became a Soviet army officer. Also prominent among the Soviet-Koreans were Ho Ka I, who became the vice chairman of the powerful Communist "Korean Labor Party" and who had once been a Communist Party official in the Soviet Republic of Uzbekistan; and another was General Nam Il, a one-time Soviet army officer who became notorious as the chief Korean negotiator at Panmunjom.

Such were the men who, under Soviet orders, founded the regime which calls itself the "Democratic People's Republic of Korea"—and who still run it today.

In June 1950 after the United States forces had been withdrawn from Korea, this same north Korean regime launched an armed attack against the Republic of Korea. For this act it was branded as an aggressor by the Security Council and the General Assembly of the United Nations. During the Korean hostilities this regime violated established principles governing the treatment of prisoners of war and carried out atrocities against military personnel of the United Nations forces and against Korean civilians. It has defied the United Nations and has demonstrated through its actions its contempt of the charter. No wonder, Mr. Chairman, that this regime in north Korea has not achieved recognition by a single government of the world outside the Communist bloc.

Armistice Agreement and Geneva Conference

After 3 years of war and 2 years of negotiation, the Korean fighting ended with the Armistice Agreement of July 1953.

Throughout the 6 years since that agreement was signed, the Communists have violated it grossly and continuously. They completely frustrated the supervisory machinery by making inspection impossible in north Korea. They strengthened their fortifications and brought in modern weapons prohibited by the Armistice Agreement. And they heartlessly refused to account for thousands of Korean and United Nations personnel missing in action.

I pause at this point, Mr. Chairman, to renew this appeal to the Communist authorities—an appeal which our representatives at Panmunjom have made many times:

The United Nations Command long ago gave you the names of 2,047 military personnel of the United Nations Command who are still missing and not accounted for. Of these names, 451 are those of Americans. We know from your own propaganda that some of these individuals at one time were alive and in your hands as prisoners of war. Under the Korean Armistice Agreement you are obliged to account for all of these men and to repatriate any who are still alive. In the name of simple humanity to the families of these men, the United States again appeals to you to honor your obligation.

Mr. Chairman, the Korean Armistice Agreement also included a recommendation for a political conference to be held within 90 days. By August 1953 the General Assembly had completed its arrangements to participate in this conference, but it was not until 9 months later that the Communists, after having remilitarized north Korea in defiance of the Armistice Agreement, sat down with the United Nations members at Geneva in April 1954.

The United Nations members in that Geneva conference made every effort to obtain agreement which would lead to the establishment of a unified, democratic, and independent Korea. They enunciated two fundamental principles which must provide the basis of a Korean settlement consistent with the objectives of the United Nations.[2] These principles are:

1. The United Nations, under its Charter, is fully and rightfully empowered to take collective action to repel aggression, to restore peace and security, and to extend its good offices to seeking a peaceful settlement in Korea.
2. In order to establish a unified, independent and democratic Korea, genuinely free elections should be held under United Nations supervision, for representatives in the national assembly, in which representation shall be in direct proportion to the indigenous population in Korea.

The Communist participants refused to agree to any arrangements which would guarantee that elections for reunification would be carried out in genuine freedom. Their proposals would have provided the Communist side with an absolute veto over the conduct of the elections. They proposed an all-Korean election commission on which they demanded that north Korea, with its population of 9 million, should be given the same number of members as south Korea, whose population is 22 million. They also demanded that all decisions in the commission be made on the basis of mutual agreement—in other words, they wanted the veto power.

Further, the Communists denied the competence of the United Nations to deal with the Korean question. Thus they sought to undermine the United Nations as an instrument for the maintenance of international peace and prevention of aggression.

The United Nations representatives at Geneva refused to compromise the principles for which their countries had fought on the battlefields of Korea. Faced with a rigid Communist position frustrating all prospects for honorable agreement,

[2] For text of a 16-nation declaration issued at Geneva on June 15, 1954, see BULLETIN of June 28, 1954, p. 973.

they accepted the fact that the conference had failed.

In the 4 years that followed the General Assembly repeatedly urged, by overwhelming votes, that negotiations be resumed on the basis of established United Nations principles, but the Communist side remained inflexible.

Latest Exchange of Communications

Then, in February 1958, a new exchange of statements and communications began. I shall review it in some detail because it shows the lengths to which the states participating in the United Nations Command have gone in their search for progress on the Korean question.

1. The exchange began on February 5, 1958, with a statement by the north Korean regime advancing certain proposals for the reunification of Korea. These proposals were transmitted to the governments which took part in the U.N. Command in Korea. The Chinese Communists endorsed them in a statement 2 days later. The proposals were two: that all foreign forces should first be withdrawn from Korea and that thereafter elections should be held under "the supervision of a neutral nations organization"—a phrase which I shall discuss later in this statement.

2. Two weeks later the Communists announced that the so-called Chinese People's Volunteers would be withdrawn from north Korea by the end of 1958 and called on the governments of the United Nations Command to withdraw their forces from south Korea.

3. The 16 member states which represent the United Nations in these negotiations replied [3] to these statements by welcoming the announced intention of the Chinese Communists finally to withdraw their forces, as they had been called upon to do year after year by resolutions of the United Nations General Assembly. We requested a clarification of the Communist views on the principles of free elections. We asked specifically whether these principles provided for supervision of elections by the United Nations and whether representation in the National Assembly would be proportionate to the indigenous population in all parts of Korea. Our reply was intended to afford the Communists an opportunity to show whether they had any serious intention of moving ahead on the question of Korean reunification.

[3] For text of note, see *ibid.*, May 5, 1958, p. 735.

4. In their reply of May 6,[4] the Chinese Communists again brushed aside the question of the principles on which elections should be held. They restated their position that the withdrawal of United Nations forces from south Korea was a prerequisite to any steps leading to the reunification of Korea.

5. The United Nations was frankly disappointed by this Chinese Communist reply. It seemed to leave little room for hope. However, on July 2 we sent another communication [5] to the Chinese Communist regime, in which we again welcomed the announcement that the Chinese Communist troops were to be withdrawn from north Korea. We expressed our disappointment that the Chinese Communists' announcement of May 6 had not answered our question about the principles under which the elections would be held. We pointed out that further withdrawal of United Nations forces without any previous arrangement for the proper settlement of the Korean question would not be calculated to lead to the reduction of tension in the Far East and, indeed, such action would remove one necessary guarantee which exists against further aggression in Korea. We emphasized that we wished to see a genuine settlement of the Korean question in accordance with the United Nations resolutions. We concluded by stating that the governments participating in the United Nations Command were prepared to withdraw United Nations forces when the conditions for the lasting settlement laid down by the General Assembly had been fulfilled.

6. On November 10 a Chinese Communist communique again called for the withdrawal of United Nations troops from south Korea. They again stated that after withdrawal of all foreign forces all-Korea free elections could be held under the supervision of a "neutral nations organization." And again they did not elaborate.

7. The United Nations members replied [6] to this note by transmitting the General Assembly resolution of 14 November 1958, which had been adopted by a vote of 54 to 9. As the committee will recall, this resolution urged the Communist authorities to accept United Nations objectives and to agree to genuinely free elections under the principles endorsed by the General Assembly.

[4] U.N. doc. A/3821.

[5] For text, see BULLETIN of July 28, 1958, p. 153.

[6] For text of note, see *ibid.*, Dec. 22, 1958, p. 1004.

8. Finally, on March 4, 1959, the Chinese Communists restated the demands for the withdrawal of foreign troops from Korea and argued that "the United Nations has been reduced to a belligerent in the Korean war and lost all competence and moral authority to deal fairly with the Korean question. Therefore, any resolution on the Korean question is unilaterally null and void."

On that note of defiance the Chinese Communists ended this lengthy exchange of communications.

Main Communist Demands Examined

Mr. Chairman, from this whole record it is clear that the Communists have no present desire to move forward to the settlement of the Korean problem on any terms short of surrender by the United Nations.

If we examine their main demands in detail, we can see that this is true. They have insisted upon three things.

First, they insist that the United Nations Command should withdraw its troops from Korea before there can be any agreement on the terms or methods of unification.

Second, they insist that "the United Nations has been reduced to a belligerent in the Korean war and lost all competence and moral authority to deal fairly with the Korean question."

Third, they propose that all-Korean elections, after the United Nations troops have been withdrawn from Korea, should be held under the supervision of a "neutral nations organization."

Let me take up these three points in turn.

Demand for Withdrawal of U.N. Troops

1. To withdraw the protection of United Nations troops from the Republic of Korea, before the Korean question has been solved in accordance with United Nations principles, would leave Korea once again exposed to the threat of renewed Communist aggression. None of us will forget what happened within months after the United States withdrew from Korea in 1949. Even though the Soviet Union had announced that its forces too had been withdrawn, this statement could not be verified through the barrier of secrecy surrounding north Korea. In any case it is known that before their announced withdrawal the Soviet forces had trained north Korean forces amounting to between 50,000 and 60,000 troops and that, between then and the aggression of June 1950, these same Korean forces, heavily armed, had grown to between 150,000 and 180,000 men. And we know also that senior Soviet officers were with the Korean armed forces in the guise of "advisers" at the time the aggression was launched.

Meanwhile the United States forces had left the mainland—some of them to Japan and most of them across the 11,000 miles of the Pacific to the continental United States. When the aggression began and the United Nations answered the call to help the Republic of Korea, despite all we could do the aggressors were able to overrun most of the peninsula, inflicting untold havoc and suffering on the civilian population, before the United Nations counteroffensive could be organized.

Today again the north Korean armed forces are large and heavily armed—this time in gross violation of the Armistice Agreement. Today, as always, they have the advantage of a Communist hinterland just beyond the Yalu River, across which supplies and reinforcements can be sent to support a new aggression. The United States has not forgotten the words of Chou En-lai, the Chinese Communist Premier, at the time his "volunteers" were allegedly withdrawn from north Korea last year, when he pledged to his Communist comrades in north Korea that this withdrawal did not mean that the Chinese people "have forsaken their international duty to the Korean people." These words, coming from a regime which has repeatedly refused to forswear the use of force as an instrument of its foreign policy, carry ominous military implications.

Already, since the armistice, United Nations troops in Korea have been greatly reduced. They include two United States divisions, a Turkish brigade, a Thai company, and small liaison groups from other countries. As the Communists have been told many times, the United Nations members are prepared to withdraw their remaining forces from Korea when conditions for a lasting settlement have been fulfilled. A withdrawal under present conditions could lead to only one solution of the Korean question—Communist conquest.

Question of U.N. Competence

2. I now come to the second Communist contention—that the United Nations is a mere "belligerent" in Korea and has thus "lost all competence and moral authority to deal fairly with the Korean question."

Even for the Chinese Communists, this statement is a masterpiece of effrontery. It is as if a policeman who had come to quell a riot should be told by the chief rioter, "You have no authority here—you're just another rioter."

If this contention were to be accepted, we would have to give up all ideas of justice in the affairs of nations. We would have to admit that the hundreds of thousands of deaths and wounds borne by United Nations soldiers in Korea, including large numbers of soldiers of my own country, had been suffered for the sake of an illusion.

The only possible rejoinder to such an outrageous statement is to reassert the principle repeatedly endorsed by the General Assembly:

> The United Nations, under its Charter, is fully and rightfully empowered to take collective action to repel aggression, to restore peace and security, and to extend its good offices to seeking a peaceful settlement in Korea.

"Neutral Nations Supervision" of Elections

3. Finally we come to the third Communist proposal—all-Korean elections to take place at some time after the protection of United Nations troops had been removed and to be held under the supervision of a "neutral nations organization."

If what the Communists want is genuinely neutral supervision—in other words, impartial supervision—that impartiality could easily be found among the 82 members of the United Nations, who have arranged for supervision of more than one election. But the Communists arbitrarily rule out the United Nations and call for supervision by so-called "neutral nations."

When the Communists chose this phrase they must have thought the United Nations had a very short memory. We have already had experience of "neutral nations supervision" in Korea, which, I should point out, in fact consisted of two genuine neutrals and two Communist members. In actual operation the Communist members have been anything but neutral. As a consequence the Commission has been unable to fill the role intended by the Armistice Agreement.

It is this past experience which is our only guide in interpreting the phrase "neutral nations" in the new Communist proposals. It is hard to avoid the conclusion, in pondering this stubborn Communist resistance to free elections, that the authorities in control of north Korea are afraid to let the people in north Korea express their true feelings in an honest vote.

After the most careful examination of these three Communist proposals, the United Nations has been unable to find anything in them which suggests a concession or a willingness to reach a reasonable settlement. The proposals are not concessions at all; they are simply one-sided demands.

U.S. Sponsors Resolution Embodying U.N. Principles

In such circumstances, Mr. Chairman, the United States believes that the wise course for the United Nations is to stand fast on the principles which we have supported from the beginning and which we know to be right:

First, the right—and, in fact, the duty—of the United Nations to seek a just settlement of the Korean question in harmony with the principles of the charter and to extend its good offices for that purpose;

Second, the requirement of genuinely free elections throughout Korea, to be held under United Nations supervision, and the election of a national assembly in which representation shall be directly proportionate to the indigenous population in all parts of Korea.

These principles are once again embodied in a draft resolution which will be submitted to this committee.[7] The United States is sponsoring this draft, together with other members. We urge its adoption as the wisest course open to the General Assembly at this time.

The Cause of a Free and United Korea

Mr. Chairman, I conclude. When an injustice is long continued and when the perpetrator of the injustice is stubborn, those who have upheld justice may be tempted to grow weary of the struggle. They may also attribute to the offender far more control over the forces of history than he actually possesses. And naturally that is what the offender hopes will happen.

Yet in fact the cause of a free and united Korea is a lively cause. The Republic of Korea is a going concern. The devastation of war is largely repaired. As the latest report of the United Nations Commission for the Unification and Rehabili-

[7] U.N. doc. A/C.1/L.245; adopted in Committee I on Nov. 27 by a vote of 49 to 9, with 19 abstentions.

Resolution on the Korean Question[1]

The General Assembly,

Having received the report of the United Nations Commission for the Unification and Rehabilitation of Korea,

Reaffirming its resolutions 112 (II) of 14 November 1947, 195 (III) of 12 December 1948, 293 (IV) of 21 October 1949, 376 (V) of 7 October 1950, 811 (IX) of 11 December 1954, 910 A (X) of 29 November 1955, 1010 (XI) of 11 January 1957, 1180 (XII) of 29 November 1957 and 1264 (XIII) of 14 November 1958,

Noting that, despite the exchange of correspondence between the communist authorities concerned and the United Kingdom of Great Britain and Northern Ireland on behalf of the Governments of countries which have contributed forces to the United Nations Command in Korea, in which these Governments expressed their sincere desire to see a lasting settlement of the Korean question in accordance with United Nations resolutions and their willingness to explore any measures designed to bring about reunification on this basis, the communist authorities continue to refuse to co-operate with the United Nations in bringing about the peaceful and democratic solution of the Korean problem,

Regretting that the communist authorities continue to deny the competence and authority of the United Nations to deal with the Korean question, claiming that any resolution on this question adopted by the United Nations is null and void,

Noting further that the United Nations forces which were sent to Korea in accordance with resolutions of the United Nations have for the greater part already been withdrawn, and that the Governments concerned are prepared to withdraw their remaining forces from Korea when the conditions for a lasting settlement laid down by the General Assembly have been fulfilled,

1. *Reaffirms* that the objectives of the United Nations in Korea are to bring about, by peaceful means, the establishment of a unified, independent and democratic Korea under a representative form of government, and the full restoration of international peace and security in the area;

2. *Calls upon* the communist authorities concerned to accept these established United Nations objectives in order to achieve a settlement in Korea based on the fundamental principles for unification set forth by the nations participating on behalf of the United Nations in the Korean Political Conference held at Geneva in 1954, and reaffirmed by the General Assembly, and to agree at an early date on the holding of genuinely free elections in accordance with the principles endorsed by the Assembly;

3. *Requests* the United Nations Commission for the Unification and Rehabilitation of Korea to continue its work in accordance with the relevant resolutions of the General Assembly;

4. *Requests* the Secretary-General to place the Korean question on the provisional agenda of the fifteenth session of the General Assembly.

[1] U.N. doc. A/RES/1455(XIV) (A/C.1/L.245); adopted in plenary session on Dec. 9 by a vote of 54 to 9, with 17 abstentions.

tation of Korea[8] clearly shows, its economy is expanding and improving in spite of the handicaps of the division of the country. It has had political controversies, but its citizens have also a civil and religious freedom which does not exist in north Korea. The morale and courage of the people in the Republic of Korea continue high. The support of the United Nations, including the forces of the United Nations Command which still stand guard, remains firm and unwavering. The recognition of 40 states of the free world, membership in 9 United Nations specialized agencies, and the support of the vast majority for the Republic of Korea's membership in the United Nations itself, show how this young nation has established itself in the family of nations.

[8] U.N. doc. A/4187/Corr. 1.

We cannot tell what stresses exist behind the screen of Communist secrecy in north Korea. It is perfectly obvious that the people in that part of the country, under Communist rule, are far worse off than in the south and that they yearn for freedom.

I do not for a moment suggest that the working of these forces will quickly make the Communists change their stand. Their strength and their rigidity are obvious. But I do suggest that the long-range prospects of the Republic of Korea are good. Let us of the United Nations do nothing to dim those prospects. Let us not become tired of true principles merely because the problem before us is not ripe for a solution. The time will come, as it has come in many other cases of justice long deferred in many parts of the world. What is essential is that the supporters of justice shall keep faith with their principles.

Never was this fidelity to principle more necessary for the United Nations than in the case of Korea, in which the United Nations has had an active responsibility from the beginning. If we remain true to the charter in our stewardship of the Korean question, we will find that in this case, too, there is no more powerful force working in the minds of men than the desire for a future of freedom and justice.

Let us keep that future open for the Korean nation.

Development Toward Independence in the Trust Territories

Statement by Clement J. Zablocki
U.S. Representative to the General Assembly[1]

The President of the 13th session of the General Assembly very aptly labeled the deliberations over which he had presided as "the African session." As members recall, the 13th session continued over into the spring of 1959 and reached important decisions on the Cameroons under French and United Kingdom administrations. With this in mind, it would seem to my delegation that the 14th session could appropriately be called the "second African session." Certainly most of our thoughts, words, and efforts this year have been directed to the second largest continent, which is developing so rapidly and from which the forebears of so many distinguished American citizens have originated.

Mr. Chairman, the report of the Trusteeship Council,[2] which we have before us, is a truly historic document. For the very last time we meet here to discuss a report which includes Cameroun under French administration, Togoland under French administration, and Somaliland under Italian administration. Next year representatives of these countries will be sitting among us, contributing to our discussion of developments in Tanganyika and Ruanda-Urundi, the only remaining trust territories in Africa other than the British Cameroons. My delegation has already congratulated representatives of the three trust territories, as well as those of the Administering Authorities, on the attainment of the objectives of the international trusteeship system, and my Government is looking forward to reaffirming our sentiments in a more formal manner on the dates when Cameroun, Togo, and Somalia join the ranks of free and independent nations.

Independence of Africa

I would like at this time to point out again that the progressive development toward independence or self-government in Africa is one which the American people applaud wholeheartedly. As a people we have always been uneasy when the freedom of others has been entrusted to us, if only because of our own history and traditions. We have, therefore, consequently attempted to bring the territories for which we have been responsible as quickly as possible to full self-government. The American people are, I believe, peculiarly fitted to understand the aspirations for freedom of other peoples. The history of the United States is in a very real sense the story of the contribution of successive minority groups, who came here to escape tyranny or poverty, spent at times a difficult period of adjustment, and finally emerged as fully equal and valued members of our society.

Mr. Chairman, we believe the issue of self-government in Africa is, in the main, one which does not divide the peoples of the West. There is division on methods and timing but not on objectives. We believe the record of progress, reflected in the composition and attitude of this committee, speaks for itself.

Moreover, sir, I doubt that the central issue of independence of dependent territories divides this committee as deeply as might be thought by a casual observer. Some believe progress toward independence cannot be too rapid; others that haste has its inherent dangers. And yet it is surprising how often, on essentials, this committee adopts resolutions by overwhelming majorities.

Of course we must add somewhat woefully that we have made haste slowly in the committee this year. Nevertheless we continue to hope that this situation will soon be remedied in a series of productive night sessions.

I would now like to turn to specific trust territories.

[1] Made in Committee IV (Trusteeship) on Nov. 11 (U.S. delegation press release 3286).
[2] U.N. doc. A/4100.

Cameroun

In less than 53 days, Mr. Chairman, Cameroun under French administration will become fully independent. We hope this happy occasion will be the signal for full national reconciliation. However, it is difficult in the extreme to bring together a government, the custodian of civil order, and an external opposition determined to use force to achieve its objectives. My delegation believes that the framework of present laws in Cameroun permits any citizen of good faith to return and seek elective office. We think the course of the elections held on April 12, which resulted in the election, among others, of Mr. [Theodore] Mayi-Matip, is fair and reasonable proof of this proposition. It is our most earnest hope that resort to violence shall cease and that all elements of the population will see the enormous advantage of working together for the good of their country.

Mr. Mayi-Matip is with us today. We would have been only too happy to welcome here as well the Prime Minister of Cameroun, Mr. [Amadou] Ahidjo. However, it is, of course, obvious that the Prime Minister must give precedence to his country's preparations for independence. In any event Mr. Ahidjo could not have had more able and effective spokesmen than the distinguished delegate of France, Mr. [Jacques] Koscziusko-Morizet, and the eminent poet, statesman, and parliamentarian [Leopold Sedar Senghor] who is President of the Assembly of Mali. We would like to thank Mr. Koscziusko-Morizet and Mr. Senghor for their extremely valuable contributions to this debate.

Togoland

My delegation also welcomed the contribution of Mr. Paulin Freitas, Minister of State for Interior, Information, and the Press of the Republic of Togo. The information he brings us is welcome, particularly with regard to recent political developments. On the other hand we regret that applications for assistance made under the Expanded Program of Technical Assistance have not been satisfied more rapidly, and we will support his suggestion that the committee lend its moral authority to reinforce these requests of the Government of Togoland.

Mr. Chairman, I am sure that many delegates have felt keenly the absence here, for the first time in many years, of Prime Minister Sylvanus Olympio. I hope Mr. Paulin Freitas will take back with him a sense of the deep affection we all have for his country and for its distinguished Prime Minister.

Somaliland

Fortunately imminent independence for Somaliland has not deprived us of old friends. We are pleased to see among us, as members of the Italian delegation, the Minister of National Economy, Haji Farrah, and his colleagues from Somalia. My delegation was very much interested in the informative statement delivered by the distinguished delegate of Italy, my good friend Mr. [Girolamo] Vitelli, Vice President of the Trusteeship Council.

We all realize, Mr. Chairman, that Somalia will enter independent life with formidable problems. Despite this, we are confident that one of the two most serious problems, that of economic aid, has been solved, as the statement by the Italian delegate made clear, by offers already made by Italy, the United Kingdom, and the United States. My delegation has also noted with satisfaction that the Government of the United Arab Republic, through its representative on the Trusteeship Council, offered to continue granting scholarships to Somalia after independence and to supply doctors and other experts.

The other basic problem facing Somalia constitutes a separate item on our agenda, and I will therefore not comment on it in any detail at this time. In brief, it is highly desirable that the trust territory—and indeed a trust territory with a very special status—should achieve independence with its frontiers clearly defined.

The problem of the unsettled frontier becomes all the more acute as the result of the desire of the inhabitants of the territory, as expressed by a resolution adopted by the Legislative Assembly of Somalia on August 25, 1959,[3] to achieve independence earlier than foreseen by the trusteeship agreement. We hope the General Assembly will raise no objection to the realization of this desire through an appropriate resolution.[4]

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[3] For text, see U.N. doc. A/4262.

[4] For text of a resolution concerning plans for proclamation of Somalia's independence on July 1, 1960, which was unanimously adopted by the General Assembly on Dec. 5, see U.N. doc. A/4320 (draft resolution X).

ınganyika

Mr. Chairman, we have listened with great in-rest to the information supplied to the committee / the distinguished delegate of the United King-ɔm. We hope the committee will take the occa-on afforded by the present debate to congratulate ıe Administering Authority for its achievements ırıng the past year. For its part, my delegation ould like to reiterate the words of the U.S. Rep-sentative to the Trusteeship Council,[5] who said ı February 6, 1959, that the United States

> . . . has high hopes that the final chapters in the de-ndent life of Tanganyika will be as successful as they ıve been in other territories which have been so success-lly administered by the British Government.

Developments which have taken place since the rusteeship Council discussed Tanganyika have ılly added to these hopes. We have already ap-lauded the statement in October 1958 by Gov-nor Sir Richard Turnbull that, when self-gov-nment is attained, the legislative and executive des of the government are likely to be predom-ıantly African. We believe the surest guarantee f the rights and interests of the "minority com-ıunities" is the good will of the majority and ıe realization by all groups that self-interest ictates the closest continued cooperation. The onstitution of a Council of Ministers on July 1, 959, with elected unofficials[6] is certainly a step hich can only increase mutual confidence and ood will. Similarly the results of the two-stage lections ending in February of this year have lso contributed to the great spirit of coopera-on which appears to exist in the territory.

Mr. Chairman, I have already mentioned the rofound and happy impact on developments in anganyika of Governor Sir Richard Turnbull; would like to add a word of praise for the other artner in this fruitful dialog. The Tanganyika frican National Union is one of the largest and ıost effective political organizations in Africa; is also one of the most realistic and ably led olitical groups on the continent. The leader of ANU, Mr. Julius Nyerere, who is well known in ıe United Nations, has shown statesmanship of a high order, which augurs well for the future of his country.

Ruanda-Urundi

It had been the intention of my delegation to comment in some detail on developments in the other remaining African trust territory, Ruanda-Urundi under Belgian administration. In view of the fact that an important policy pronouncement is expected shortly from the Belgian Government, my delegation will not comment now but may return to this subject at a later date.

Questions of policy aside, my delegation would like to pay tribute to the lucid and sympathetic analysis of conditions in the territory given us yesterday by the distinguished delegate of Belgium, Governor [A.] Claeys Bouuaert. Few men know the territory as well as he does or have a more liberal approach to its problems. We all understand that what he called the "ethnicosocial structure" of Ruanda-Urundi is likely to complicate development in all fields. My Government believes that the Administering Authority is doing its best to facilitate a smooth transition from a quasi-feudal to a modern social order, but we know that difficulties are bound to arise. We hope that everyone concerned, starting with the peoples of the territory and including the members of this committee, will do nothing to exacerbate existing and possible future difficulties.

Pacific Territories

Turning to the trust territories in the Pacific area which come under the supervision of the General Assembly, I wish merely to comment on our pleasure at hearing the statement made a few days ago by the Prime Minister of New Zealand, Mr. Walter Nash. Our deliberations were graced by his presence, and the information he has given us is heartening.

We concur wholeheartedly with the Prime Minister's statement that Western Samoa "has made amazing progress since 1945." If that progress has on occasion appeared somewhat unbalanced, in that primary stress was given political rather than economic and educational development, we were pleased to learn that efforts are now being made to accelerate progress in the other two fields. The progress achieved has made it possible finally to establish a tentative timetable for the termination of trusteeship.

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[5] For a statement by Mason Sears, see BULLETIN of Mar. 1959, p. 354.

[6] The term "unofficial" refers to council members who ıay be appointed or elected, primarily to represent ıdigenous populations.

Postindependence Aid to Trust Territories

Mr. Chairman, I do not wish to comment in any greater detail on the report of the Trusteeship Council. My Government participates fully in the work of the Council, and we have already commented fully on developments in each of the trust territories.

Before concluding, I would like to state briefly our views on the statement made before this committee on Thursday [November 5] by the distinguished President of the Trusteeship Council, Ambassador [Max H.] Dorsinville of Haiti. No one in recent years has contributed more to the work of the Council or of this committee. Ambassador Dorsinville informally proposed the creation of a "small committee" to study, together with the United Nations Secretariat and the secretariats of the specialized agencies, means of bringing assistance, if they request it, to the former trust territories. The results of this study would be communicated to the 15th session of the General Assembly.

I am sure that no one will misunderstand the meaning of this proposal. Trust territories, when they achieve independence, are in exactly the same juridical category as any other sovereign state. As we understand the distinguished delegate of Haiti, however, the United Nations will continue to have a special interest and even *moral* responsibility to assist former trust territories if they should request such assistance. We believe this view is sound; developments in the trust territories certainly have been profoundly influenced by recommendations of the Trusteeship Council and the General Assembly. The United Nations therefore is in some degree responsible for the conditions under which trust territories achieve independence.

Our difficulties with this proposal are of another order entirely. If a study group is to report to the 15th session, almost a full, crucial year will have passed before the needs of several of the trust territories can be dealt with. We would prefer to see effective action taken as rapidly as possible. My delegation would support a resolution inviting the Secretary-General to appoint high-ranking economic experts to assist the newly independent states, formerly trust territories, if they so desire, to plan and coordinate their development programs. We realize that the Secretary-General is already empowered to do this. However, a resolution to this effect would be a concrete expressio of the Assembly's desires in this matter, whic would facilitate the Secretary-General's task in field where demands for assistance needs far out weigh the means available.[7]

At the same time we believe that existing facili ties of the United Nations might be more full utilized by the emerging trust territories. W would hope that the emerging trust territorie might take advantage of United Nations facilitie at the earliest opportunity, so that when thes countries attain independence they will have readi ly available to them on a continuing basis th counsel of experienced specialists already on th spot.

Mr. Chairman, that is what I have to say a this stage of the debate. As long as all the Ad ministering Authorities have not spoken and pe titioners continue to be heard, my delegation de sires to reserve the right to speak again on som of these specific subjects, if it should find i necessary.

The Responsibility of Aiding the World's Refugees

Statement by James G. Fulton
U.S. Representative to the General Assembly[1]

This is a pleasant and a heartwarming occasio Here are the peoples of the world accepting respo sibility for something that is on the world's co science. The refugees are looking today to se what we are doing about it. I would say that, fro my point of view, it is a very hopeful occasio As I look around and see the nations that are her I want to compliment the people who have repre sentatives of their governments present on th pleasant occasion and to compliment the ones th are increasing their contributions, because it i a hopeful sign.

I believe that we should have the world a goo

[7] For text of a resolution sponsored by the United Stat on assistance to territories emerging from a trust stat and newly independent states, see U.N. doc. A/4320 (dra resolution VII). The resolution was unanimously adopte in plenary session on Dec. 5.

[1] Made at the U.N. Pledging Conference for Extr Budgetary Funds on Dec. 10 (U.S. delegation press r lease 3342).

orld not only for the settled peoples of the orld, no matter where they are, but for these unettled people. These refugee families should able to have the same progress, security, and pe as the rest of us.

I have always been interested in refugees pernally. As a Member of the United States Conress, I was—in the 80th Congress, some time o—the chairman of the Subcommittee for Refees of the House Foreign Affairs Committee. I ink it is always interesting to hear people who ve had personal experience. After World War on several occasions during several years, I ve been in more than a hundred refugee camps all types, sizes, and descriptions. And I am e of that great body of the American people that ve opened their homes and have sponsored refues. As a matter of fact I have a refugee who rks with me here this morning, a fine young rson who is ambitious. They are the kind of ople that live up to what we want in the world. I would say to you they are a resource of the rld that we should not overlook. They are not ly a human resource, but they are an industrial d a people's resource. For example, in the ited States of America I am very glad to report you that the refugee population, the new United ates citizens taken from this group, are our most w-abiding group of citizens. Secondly, they the healthiest group of our citizens, and, I ght say, they are certainly an active group.

Today we have the opportunity to show by eds—by money contributions from each of our ples—the concern felt by all peoples of conence and good will for these refugees.

This is World Refugee Year. It is therefore ing that each country here represented make a l effort to help. Our United States people welne this help and welcome the chance to join h all of you in helping to provide it.

am reminded of a Polish proverb that has alys had a great influence on me, and that is the proverb that says about a village that, if everyly will sweep his own doorstep, the whole n will be clean.

f we all do our share on this, we will be able to e a clean world, a clean town, and clean refu camps, because the refugees will have been vided homes. We must provide permanent nes for the refugees who are homeless through fault of their own. We must make special efforts to work toward permanent solutions of these problems, and we must intensify our programs of international assistance to meet immediate needs.

U.N. Relief and Works Agency for Palestine Refugees

I turn now to the United Nations Relief and Works Agency for Palestine Refugees.

It is with pleasure that I am able to announce on behalf of the United States Government a pledge of $23 million on behalf of the American people to UNRWA for the fiscal year period ending on June 30, 1960. This pledge is for the relief and rehabilitation programs which have now been combined in one budget. Payments against this pledge will as heretofore be made to an extent not to exceed 70 percent of the total government contributions to UNRWA. I believe we American people are doing our share in this regard.

In past years the United States has provided 70 percent of UNRWA's governmental contributions. This proportion of contribution by the United States must be considered for the present, and it must be for present purposes rather than a permanent fixed arrangement. We feel that it should not be considered a commitment on future proportions because those will be made in the good judgment of our Government and our people. The United States believes that with the renewed life of UNRWA for another 3 years,[2] it is timely to suggest that a substantially increased portion of the costs for the continuation of the agency's support to Palestine refugees should be borne in the future by other members of the United Nations.

We hope that more peoples can through the governments of member states give more in proportion to their resources. We member states must search our own consciences in the knowledge that a million human beings are in very real need.

In planning for the years immediately ahead I would like to underscore a vital consideration. The food, shelter, and medical needs of the Palestine refugees have first call on the funds available to the Agency. After these needs are satisfied, whatever funds may be left are allocated to vocational training and scholarship programs as well as self-support projects of various types. These are the very programs that give hope for a pro-

[2] See p. 31.

ductive future to the refugees, particularly to the majority of the refugees who are children and ambitious young people. Due to lack of funds these programs have been moving in starts and suspensions. They have been drastically reduced and at times practically abandoned. With the Palestine refugee population increasing by over 30,000 each year, as births outnumber deaths, the funds to continue and expand these forward-looking programs become more and more essential. Thus greater contributions are needed, and the United States urges all member states to join in contributing generously to this worthy cause.

United Nations High Commissioner for Refugees

I would like to turn to the program of the United Nations High Commissioner for Refugees.

The United States has been deeply gratified to observe the constructive and energetic measures which the High Commissioner has adopted in carrying out his programs of aid to the refugees under his care. His tireless efforts and the high goals he has set have intensified the interest and activities of many governments and peoples and of many voluntary organizations in this important year for world refugees. We should not overlook the voluntary organizations of people and groups in many of our countries.

I am pleased to announce a United States pledge of $1,100,000 toward the High Commissioner's regular program for 1960. This sum will be made available, as in the past, to the extent it represents no more than 33⅓ percent of the total contributions made by governments to that program.

In addition the United States has allocated $1,070,000 to special projects which the High Commissioner has undertaken or plans to undertake this year in connection with World Refugee Year, which I would like to speak about in a little more detail.

World Refugee Year

I would like to stress that the United States Government is intensely interested in assuring the success of the World Refugee Year. President Eisenhower has issued a special proclamation [3] to the American people calling for a far-reaching effort on the part of organizations and citizens to achieve its purposes. The United States has pledged special contributions of $4 million toward the purposes of the World Refugee Year over and above its regular yearly contributions of some $40 million to various refugee programs. These additional contributions are being administered either through the High Commissioner's Office as I have already indicated, or through other governmental channels, or through voluntary agencies with long experience in the administration of refugee and assistance programs.

I should point out to you that not all people of the United States are well to do and that these contributions are coming from our taxpayers big and little, large and small, and many of them are very hard-working people, so that it comes out of their family budgets.

To mention a few examples of programs that have been helped by the United States Government this year as part of the World Refugee Year:

—$600,000 has been made available to the High Commissioner as an additional contribution for the camp-clearance program.

—$100,000 for refugees of Greek ethnic origin

—$600,000 has been made available to assist the rehabilitation of European refugees living outside of camps in Europe, to be administered through voluntary agencies.

—A sum of $800,000 has been contributed for European refugees arriving in Hong Kong from the mainland of China. $730,000 of this is to be administered by the Intergovernmental Committee for European Migration and $70,000 by the High Commissioner.

—Another $800,000 has been allocated for Chinese refugees in Hong Kong and Macau, to be administered by the Hong Kong colonial government and by established voluntary agencies.

—Another contribution of $300,000 has been made available to the High Commissioner for the relief of Algerian refugees in Tunis and Morocco. This cash sum is in addition to contributions of agricultural commodities for emergency relief for Algerian refugees, amounting in value, over a 2-year period, to $7 million.

Recent legislation passed by the United States Congress,[4] of which I am a member, has provided

[3] For text, see BULLETIN of June 15, 1959, p. 875.

[4] For an article on "Immigration Legislation, 1959" by Frank L. Auerbach, see *ibid.*, Oct. 26, 1959, p. 600.

or the entry into the United States of some 61,000 ersons on a nonquota basis, and from 4,000 to 2,000 visas are expected to be issued to relatives f persons previously admitted under earlier refu-ee legislation. The United States Congress has xtended legislation whereby refugees suffering rom tuberculosis may join close relatives in the nited States, as well as legislation allowing for e admission of orphans and adopted children. hese are measures which will directly benefit me of the most unfortunate cases among the fugees. I am particularly pleased to hear rep-sentatives this morning speak of their expanded forts and how they are taking care of some of e most unfortunate cases.

The programs of nongovernmental organiza-ons in the World Refugee Year within the nited States have also gone forward vigorously. he fine United States Committee for Refugees, rmed just a year ago, has brought together ominent civic-minded citizens from all sections American life in this worthy effort.[5] The com-ittee is working in close coordination with the any American voluntary agencies traditionally ccessful and active in rendering heart-warming fugee assistance. These programs over the years ve made immeasurable contributions in terms of ort and resources in the cause of refugees. A rget goal of $20 million has been established for ntributions from our United States private citi-ns over and above the sums normally being ntributed.

Activities on behalf of refugees undertaken ring the World Refugee Year are a cause of eat satisfaction to us, and we want to share ose with the other peoples whose representatives here today. These activities should not result undue optimism or complacency. We know the orld Refugee Year cannot solve all refugee oblems. Its major potential, though, is in re-cing human suffering and increasing human pe, and these are certain goals that can be ieved. Its greatest value lies in the fact that World Refugee Year is a symbol of the con-ted desire and will of peoples of friendly na-ns to continue and to intensify their efforts to p the millions of refugees throughout the world o are now patiently waiting with their families permanent homes. These families are suffer-ing from loss of ordinary opportunities for a con-structive life and even for existence on decent levels.

Our combined efforts of the nations will go far to solve their basic human problems. However, the best efforts of all of us are essential if we are to begin to meet these pressing human needs. We in our United States delegation—and may I on behalf of the American people—ask you to join with us in helping make this a good and under-standing world, with security and progress for the refugees, too.

[5] For background, see *ibid.*, May 18, 1959, p. 709, and e 15, 1959, p. 872.

U.N. Votes To Continue Assistance to Palestine Refugees

Following are two statements made in the Special Political Committee by Virgil M. Hancher, U.S. Representative to the General Assembly, during debate on the U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), together with the text of a resolution adopted in plenary session on December 9.

STATEMENT OF NOVEMBER 20

U.S. delegation press release 3300

I have asked for the floor today to make a few general remarks in the hope that they will contribute in a positive way to the further development of this debate. In doing so, I wish to reserve the right to intervene again at a later stage.

Before turning to the item on our agenda, Mr. Chairman, I would like to express on behalf of the United States Government our profound shock and regret at the tragic death of Mr. Leslie Carver [Acting Director of UNRWA]. His unstinted devotion to the cause of the United Nations constituted service of the highest order. He will be sorely missed.

The debate which has been initiated in this committee on the Palestine refugee problem, a debate which has been going on for 11 years, now provides each member with an unusual opportunity—indeed, an awesome challenge—to contribute to the best possible decision with respect to the future welfare of the one million Arab refugees. The lot of these individuals, about half of whom are children or adolescents, and their future should be

uppermost in our minds as the debate proceeds.

Over the last decade this problem has been examined and reexamined. A number of those examinations have tended more to generate or recharge emotions than to stimulate reasoned responses. In the interest of the refugees themselves, and in the interests of stability and progress in the Near East, it is important that we—all of us—face the facts of this grave situation in a constructive spirit. The United States delegation is impressed with the relatively moderate tone of most of the statements we have heard thus far in the committee.

UNRWA's mandate is due to expire on June 30 of next year. At the same time we are faced with a relentless increase—more than 30,000 annually—in the number of refugees. An inescapable corollary is that the already very heavy costs and responsibilities will continue to increase if some progress is not made promptly on the fundamental elements of the problems.

No Real Progress Yet Made

We have before us two reports. At the request of the last General Assembly the Secretary-General has prepared a report entitled "Proposals for the Continuation of United Nations Assistance for the Palestine Refugees."[1] We all owe him a debt of gratitude for the effort and imagination which have gone into that report. Certainly the Secretary-General's report merits our careful study. While we cannot subscribe to all of the recommendations it contains, we do believe that there are several, such as rectification of the relief rolls, which, if implemented, would be appropriate and would promote the interest of the refugees.

We have also given careful consideration to the annual report of the Director of the agency[2] concerning the operations and activities of UNRWA during the past year and setting forth the anticipated budgetary requirements for the duration of the mandate, as well as for the care of the refugees during the remainder of 1960.

On the basis of these reports and a review of the history of this issue, we can see the clear outlines of the problem as it exists today. And it is with deep regret that we must conclude that no real progress has been made toward a fundamental solution of the refugee problem. I think everyone here will agree with this conclusion. My delegation believes that the cause of the refugees themselves is best served by looking ahead. We recognize fully that this is an extremely complex problem and a solution is not easy. We do not pretend to have a pat answer. However, assuming that all concerned endeavor to approach this problem rationally and with a degree of receptivity to constructive ideas, progress can be made.

The United Nations Relief and Works Agency, for lack of funds and other reasons, has unfortunately been able really to perform only the "relief" part of its mandate. This year's report of the Director, like those of his predecessors, states that there has been little or no progress in the extremely important "works" aspects of the Agency's responsibilities.

When the U.N. agreed to extend the life of the agency 5 years ago,[3] it was expected that some progress would be made during the ensuing period in rehabilitating the refugees and helping them to become self-supporting. The United States at that time made clear its expectation that progress would be achieved on large-scale projects designed to benefit the refugees and the countries concerned. We have noted with regret that such expectations have not been realized. Only a few programs have been implemented. I am referring particularly to the vocational training programs. These programs have proved eminently successful, but unfortunately only a very limited number of refugees have benefited from them.

In the past the United States has earnestly tried to help the parties principally concerned to find a satisfactory solution. In August of 1955 the late Secretary of State, John Foster Dulles, proposed that the refugees be enabled to resume a life of dignity and self-respect through repatriation or resettlement.[4] He pledged that the United States would support some form of international loan which would facilitate Israel's payment of compensation to those refugees choosing resettlement and that the United States would contribute to a realization of development projects. President Eisenhower in 1957 reaffirmed

[1] U.N. doc. A/4121 and Corr. 1.

[2] U.N. doc. A/4213.

[3] For U.S. statements and text of resolution, see BULLETIN of Jan. 3, 1955, p. 24.

[4] *Ibid.*, Sept. 5, 1955, p. 378.

these proposals.[5] This interest of the United States Government and of its citizens in the care and in the future well-being and happiness of the Palestine refugees remains undiminished.

The United States is fully aware that the Palestine refugee problem is unlikely to be solved by the time UNRWA's mandate expires. We are fully aware that international support for these refugees undoubtedly must continue after June 30, 1960.

U.S. Urges Constructive Action

Having said these things, I should like to say also that action limited to the mere extension of UNRWA's mandate is not, in our judgment, a satisfactory way to serve the long-term interests of the refugees. There should be something more than this. Surely it is not unreasonable to hope that other constructive steps may also be taken.

We must not allow ourselves to despair of hope for progress. We must not consign a million persons to indefinite subsistence living, almost devoid of possibilities for taking useful and self-supporting roles in society. My Government believes that the present is, perhaps, a unique opportunity for clear reaffirmation, on the part of governments most directly concerned and all other states motivated by peaceful and humane intentions, that something constructive can and will be done about this problem. We would hope that friendly candor and wise imagination would play the dominant roles in this discussion.

We trust that from this committee's deliberations will come realistic suggestions as to how progress toward the ultimate resolution of this refugee problem can be insured. We welcome the constructive spirit with which delegations such as Ceylon and India have approached this debate. We shall continue to give sympathetic consideration to any suggestion, whether related to the PCC [Palestine Conciliation Commission], a new commission, or any other possibility, which might help move us toward a resolution of the problem. We also welcome the timely reminder by the distinguished delegate of India that the General Assembly has consistently held to the principle that the Palestine refugees be given a choice of repatriation or compensation.

[5] For text of President Eisenhower's message to Congress on the Middle East, see *ibid.*, Jan. 21, 1957, p. 83.

The United States, as one of the major contributors to the relief of the Palestine refugees thus far, certainly would welcome consideration of sincere and constructive proposals from any quarter. We favor fuller examination and amplification of various proposals which have already been made, especially of the indications of growing willingness to make new attempts to solve some of the divisive questions of the Near East. We are hopeful that still more specific recommendations will be heard in the course of the debate. The United States will always do its part in any United Nations effort which has as its goal a brighter future for the Palestine refugees.

STATEMENT OF DECEMBER 7

U.S. delegation press release 3335

As you are aware, discussions have been taking place outside the committee during the past week on a resolution dealing with Palestine refugees. I am pleased to say that the revised resolution which has been tabled by the distinguished representatives of Pakistan and Indonesia [6] has the full support of the United States. While it lacks certain provisions that my delegation would like to have seen included, this resolution adequately reflects those progressive elements on which we believe general agreement could be reached at this juncture.

I will comment only briefly on the details of the text. However, I do wish to point out that it represents a compromise and, as such, a delicate balance which we trust will not be upset by the discussions here today.

We believe that the extension of the Agency's mandate for 3 years is realistic. The United States is particularly pleased that this resolution calls for appropriate action with regard to the pressing need for a rectification of the relief rolls.

It is the sincere hope and intention of the United States, as a member of the PCC, that in its further efforts the Commission will seek the just and peaceful implementation of paragraph 11 of Resolution 194 (III) and will find that the states principally concerned are willing to face the problem in a spirit of accommodation. It should not be overlooked that the PCC already has done much constructive work in identifying and evalu-

[6] U.N. doc. A/SPC/L. 38/Rev. 1.

ating the properties left by some of the Palestine refugees.

We are hopeful that the good wishes of all member states will go to the PCC in its further search for realistic and constructive forward steps.

In concluding these brief remarks let me observe that the general tenor of this debate has indicated the great desire of the majority of United Nations members to do something positive, to do something promptly, about this problem. The United States is convinced that something can be done. We must not allow ourselves to fall into an attitude of listless resignation. It is therefore our hope that during the coming months members will actively assist, in every appropriate way, in the search for a just and peaceful solution. My delegation also fervently hopes that member states will underline the support, so widely voiced here, for the continuation of UNRWA by substantially increased pledges of financial support for the Agency.

TEXT OF RESOLUTION [7]

The General Assembly,

Recalling its resolutions 194 (III) of 11 December 1948, 302 (IV) of 8 December 1949, 393 (V) of 2 December 1950, 513 (VI) of 26 January 1952, 614 (VII) of 6 November 1952, 720 (VIII) of 27 November 1953, 818 (IX) of 4 December 1954, 916 (X) of 3 December 1955, 1018 (XI) of 28 February 1957, 1191 (XII) of 12 December 1957, and 1315 (XIII) of 12 December 1958,

Noting the annual report of the Director of the United Nations Relief and Works Agency, in particular the expiration of the Agency's mandate on 30 June 1960,

Noting the recommendation of the Secretary-General and the Director of the Agency for the continuation of the Agency,

Noting with deep regret that repatriation or compensation of the refugees, as provided for in paragraph 11 of General Assembly resolution 194 (III) has not been effected, and that no substantial progress has been made in the programme endorsed in paragraph 2 of resolution 513 (VI) for the reintegration of refugees either by repatriation or resettlement and that, therefore, the situation of the refugees continues to be a matter of serious concern,

Having reviewed the budget and noting with concern that contributions from Member States are not sufficient,

Recalling that the Agency, as a subsidiary organ of the United Nations, enjoys the benefits of the Convention on the Privileges and Immunities of the United Nations,

1. *Decides* to extend the mandate of the United Nations Relief and Works Agency for Palestine Refugees in the Near East for a period of three years with a review at the end of two years;

2. *Requests* the Governments concerned to co-operate with the Agency in efforts to rectify the situation described in paragraphs 17 and 18 of the Director's report;

3. *Requests* the Director of the Agency to arrange with the host Governments the best means of giving effect to the proposals contained in paragraph 47 of his report;

4. *Requests* the Palestine Conciliation Commission to make further efforts to secure the implementation of paragraph 11 of General Assembly resolution 194 (III);

5. *Directs* attention to the precarious financial position of the Agency and urges Governments to consider to what extent they can contribute or increase their contributions so that the Agency can carry out its programmes;

6. *Directs* the Agency to continue its programme of relief for the refugees, and, in so far as is financially possible expand its programme of self-support and vocational training;

7. *Expresses its thanks* to the Director and the staff of the Agency for their continued faithful efforts to carry out the mandate of the Agency, and to the specialized agencies and the many private organizations for their valuable and continuing work in assisting the refugees.

[7] A/RES/1456(XIV) (A/SPC/L.38/Rev. 1); adopted in plenary session on Dec. 9 by a vote of 80–0–1 (Israel).

United Nations Proclaims Declaration of Rights of Child

Following is a statement made in Committee III (Social, Humanitarian, and Cultural) on September 28 by Charles W. Anderson, Jr., U.S. Representative to the General Assembly, together with the text of the Declaration of the Rights of the Child proclaimed in plenary session on November 20.

STATEMENT BY MR. ANDERSON

U.S. delegation press release 3230

The question of the Draft Declaration of the Rights of the Child has already been considered in the United Nations for many years—by the Social Commission, the Economic and Social Council, and the Commission on Human Rights. There has finally emerged the draft declaration which the 28th session of the Economic and Social Council has transmitted for our consideration.[1]

The drafting of this declaration has taken a good deal of time and has, as Ambassador López [Salvador P. López, Philippines] pointed out at our last meeting [September 25], already involved the efforts of 28 nations. I am hopeful that it will

[1] U.N. doc. E/3229, chapter VII, par. 197.

possible for this committee to complete consid-
ation of the declaration at this session.

In my view the declaration does not raise such
oblems as to make the goal of its early comple-
on unattainable. The statements which were
ade last Friday underline the basic agreement
hich exists among us on this point. And cer-
inly we are all agreed on the importance of the
claration itself. It seems to me, therefore, that
e Third Committee, in having the opportunity
complete the declaration this year, can make a
emendous contribution to the betterment of the
orld's children. Moreover, to complete the dec-
ration at this session can only reflect great credit
on the Third Committee itself and upon the
eneral Assembly as a whole.

The Geneva Declaration of the Rights of the
hild, adopted by the League of Nations in 1924,
as the first collective expression by the world
mmunity of its concern for children. It was to
ing this declaration up to date that the Social
ommission of the United Nations undertook its
examination in 1947. The 1924 declaration was
ort and concise. These are qualities which we
el might be maintained. The draft declaration
hich has been transmitted to us by the Economic
d Social Council contains all the basic elements
lating to the well-being of children. It has not,
wever, succeeded in retaining the qualities of
evity and conciseness which we would like to see.
declaration should contain principles only, and
ese principles should be set forth in simple, clear
nguage which can be easily understood by every-
e. These principles should not be obscured by
detailed elaboration of the application of each
inciple.

Madam Chairman, my delegation can in fact
cept the Draft Declaration of the Rights of the
hild in the form it has been transmitted to us.
e shall, nevertheless, give careful consideration
those proposals made by other delegations with
view to arriving at as clear and concise an ex-
ession as possible of the principles now embodied
that declaration. My distinguished colleague
om the United Kingdom, Lady Petrie, alluded
st Friday to the statement made before the 28th
ssion of the Council by Miss Moser of the Inter-
tional Union for Child Welfare. Miss Moser,
u will recall, said that the draft declaration now
fore us is six times longer than the 1924 Geneva
claration. She went on to say that the value of
the 1924 declaration lay in its directness, brevity, and acceptability. In associating ourselves with the views expressed by the United Kingdom delegate and Miss Moser, we remain confident that it will be possible for this committee to arrive at a text which will both universally commend itself for the thoughts which it embodies and for the clarity with which these thoughts are expressed.

Eleven years ago the General Assembly adopted the Universal Declaration of Human Rights. That declaration took a long time in drafting and was not adopted without a good deal of debate. At that time there were those, Madam Chairman, who deprecated the value of that declaration on the basis that, since it was no more than a declaration and therefore had no legally binding force on member states, it would not be of any practical use. The short history of the Universal Declaration of Human Rights has proven these views to be mistaken. The Universal Declaration of Human Rights, although of course not binding in law on states members, has had an influence exceeding perhaps even the highest expectations of those who were its most ardent advocates. The declaration has served both as an example and as a goal. But, more than that, it has also been incorporated in the constitutions of several countries represented in this chamber. It has served as a model for national legislation. It has even been cited in court decisions. In sum, the Universal Declaration of Human Rights has been a very powerful influence in advancing human rights in many countries.

Madam Chairman, there can be no question as to the contribution such a declaration as the Draft Declaration of the Rights of the Child can make. First, adopting it, we can reaffirm the fundamental conviction of all of us that mankind owes the child the best it can give. Second, having seen the moral impact on the world which the Universal Declaration of Human Rights has had, we can reasonably hope that the draft declaration can reinforce some of the principles contained in the Universal Declaration of Human Rights. And finally, in time to come, like the Universal Declaration, the Draft Declaration of the Rights of the Child will serve as a model for national legislation and as a guide for action to be taken on a national and local level with respect to the well-being of children.

You can depend on the full cooperation of my

delegation, Madam Chairman, in reaching language which will be acceptable to all, concise, meaningful, and of which we can all be proud.

TEXT OF RESOLUTION[2]

DECLARATION OF THE RIGHTS OF THE CHILD

Preamble

Whereas the peoples of the United Nations have, in the Charter, reaffirmed their faith in fundamental human rights and in the dignity and worth of the human person, and have determined to promote social progress and better standards of life in larger freedom,

Whereas the United Nations has, in the Universal Declaration of Human Rights, proclaimed that everyone is entitled to all the rights and freedoms set forth therein, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status,

Whereas the child, by reason of his physical and mental immaturity, needs special safeguards and care, including appropriate legal protection, before as well as after birth,

Whereas the need for such special safeguards has been stated in the Geneva Declaration of the Rights of the Child of 1924, and recognized in the Universal Declaration of Human Rights and in the statutes of specialized agencies and international organizations concerned with the welfare of children,

Whereas mankind owes to the child the best it has to give,

Now therefore,

The General Assembly

Proclaims this Declaration of the Rights of the Child to the end that he may have a happy childhood and enjoy for his own good and for the good of society the rights and freedoms herein set forth, and calls upon parents, upon men and women as individuals, and upon voluntary organizations, local authorities and national Governments to recognize these rights and strive for their observance by legislative and other measures progressively taken in accordance with the following principles:

Principle 1

The child shall enjoy all the rights set forth in this Declaration. Every child, without any exception whatsoever, shall be entitled to these rights, without distinction or discrimination on account of race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status, whether of himself or of his family.

Principle 2

The child shall enjoy special protection, and shall be given opportunities and facilities, by law and by other means, to enable him to develop physically, mentally, morally, spiritually and socially in a healthy and norm manner and in conditions of freedom and dignity. I the enactment of laws for this purpose, the best interes of the child shall be the paramount consideration.

Principle 3

The child shall be entitled from his birth to a name ar a nationality.

Principle 4

The child shall enjoy the benefits of social securit He shall be entitled to grow and develop in health; this end, special care and protection shall be provid both to him and to his mother, including adequate pr natal and post-natal care. The child shall have the rig to adequate nutrition, housing, recreation and medic services.

Principle 5

The child who is physically, mentally or socially hand capped shall be given the special treatment, educati and care required by his particular condition.

Principle 6

The child, for the full and harmonious development his personality, needs love and understanding. He sha wherever possible, grow up in the care and under the r sponsibility of his parents, and, in any case, in an atmo phere of affection and of moral and material security; child of tender years shall not, save in exceptional c cumstances, be separated from his mother. Society a the public authorities shall have the duty to extend pa ticular care to children without a family and to th without adequate means of support. Payment of St and other assistance towards the maintenance of childr of large families is desirable.

Principle 7

The child is entitled to receive education, which sh be free and compulsory, at least in the elementary stag He shall be given an education which will promote l general culture, and enable him, on a basis of equal o portunity, to develop his abilities, his individual jud ment, and his sense of moral and social responsibility, a to become a useful member of society.

The best interests of the child shall be the guidi principle of those responsible for his education and gu ance; that responsibility lies in the first place with l parents.

The child shall have full opportunity for play and rec ation, which should be directed to the same purposes education; society and the public authorities shall deavour to promote the enjoyment of this right.

Principle 8

The child shall in all circumstances be among the fi to receive protection and relief.

Principle 9

The child shall be protected against all forms of negl cruelty and exploitation. He shall not be the subject traffic, in any form.

[2] U.N. doc. A/RES/1386 (XIV), adopted unanimously in plenary session on Nov. 20.

The child shall not be admitted to employment before appropriate minimum age; he shall in no case be used or permitted to engage in any occupation or em-oyment which would prejudice his health or education, interfere with his physical, mental or moral develop-ent.

Principle 10

The child shall be protected from practices which may ster racial, religious and any other form of discrimina-n. He shall be brought up in a spirit of understand-, tolerance, friendship among peoples, peace and iversal brotherhood, and in full consciousness that his ergy and talents should be devoted to the service of fellow men.

urrent U.N. Documents: Selected Bibliography [1]

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United Nations Emergency Force. Manner of financing the Force: report of the Secretary-General on consultations with governments of member states. Corrigendum. A/4176/Corr. 2. November 25, 1959. 1 p.
Construction of the United Nations Building in Santiago, Chile. Report of the Fifth Committee. A/4306. November 30, 1959. 4 pp.
The Korean Question: Report of the United Nations Commission for the Unification and Rehabilitation of Korea. Report of the First Committee. A/4307. November 30, 1959. 5 pp.
Supplementary Estimates for the Financial Year 1959 (Part II). Thirty-fourth report of the Advisory Committee on Administrative and Budgetary Questions to the General Assembly at its 14th session. A/4308. November 30, 1959. 3 pp.
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Reservations to Multilateral Conventions: the Convention on Inter-governmental Maritime Consultative Organization. Report of the Sixth Committee. A/4311. December 1, 1959. 13 pp.
Economic Development of Under-developed Countries. Report by the Secretary-General on measures taken by the governments of member states to further the economic development of underdeveloped countries in accordance with General Assembly resolution 1316 (XIII). Additional replies from governments—France. A/4220/Add. 3. December 1, 1959. 22 pp.
Report of the Trusteeship Council: Offers by Member States of Study and Training Facilities for Inhabitants of Trust Territories—Report of the Trusteeship Council. Report of the Fourth Committee. A/4320. December 3, 1959. 45 pp.
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[1] Printed materials may be secured in the United States n the International Documents Service, Columbia Uni-ity Press, 2960 Broadway, New York 27, N.Y. Other erials (mimeographed or processed documents) may onsulted at certain libraries in the United States.

TREATY INFORMATION

Current Actions

MULTILATERAL

Automotive Traffic

Convention on road traffic, with annexes. Done at Geneva September 19, 1949. Entered into force March 26, 1952. TIAS 2487.
Notification by United Kingdom of application (subject to a declaration) to: Malta, November 23, 1959.

Finance

Agreement establishing the Inter-American Development

Bank, with annexes. Done at Washington April 8, 1959.[1]
Signed and acceptances deposited: Dominican Republic, Guatemala, Paraguay, December 16, 1959; Chile, December 17, 1959.

Property

Convention for the protection of industrial property. Signed at London June 2, 1934. Entered into force August 1, 1938. 53 Stat. 1748.
Adherence effective: Iran, December 16, 1959.

BILATERAL

Belgium

Agreement amending annex B of the mutual defense assistance agreement of January 27, 1950 (TIAS 2010). Effected by exchange of notes at Brussels October 27 and December 1, 1959. Entered into force December 1, 1959.

Turkey

Agreement for the establishment of a facility for repairing and rebuilding M-12 range finders in Turkey. Effected by exchange of notes at Ankara November 30, 1959. Entered into force November 30, 1959.

DEPARTMENT AND FOREIGN SERVICE

Resident Consuls Assigned to Lusaka and Blantyre

Press release 860 dated December 16

The Department of State announced on December 16 that resident consuls will be assigned to Lusaka, Northern Rhodesia, and to Blantyre, Nyasaland. In each case the resident consul will be a member of the staff of the consulate general at Salisbury. The resident consuls will be available to perform notarial and other consular services. The resident consul at Lusaka is expected to arrive there in January 1960; the office of the resident consul at Blantyre is to be opened in February 1960.

Designations

Richard Hallock Davis as Deputy Assistant Secretary for European Affairs, effective December 11. (For biographic details, see Department of State press release 863 dated December 16.)

Frank K. Hefner as Deputy Director, Office of International Financial and Development Affairs, effective December 13.

Charles H. Russell as Director, U.S. Operations Mission, Paraguay, effective December 15. (For biographic details, see Department of State press release 857 dated December 15.)

[1] Not in force.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

The Republic of China. Pub. 6844. Far Eastern Series 81. 63 pp. 25¢.

This pamphlet is a description of the present territori base of free China, its history, and its resources. It an account of the progress made by the Republic of Chir since 1949 and its prospects for the future.

Mutual Security in Action—Viet-Nam. Pub. 6896. F Eastern Series 83. 14 pp. 10¢.

A fact sheet discussing the country, government, econom and the role of U.S. assistance.

Mutual Security in Action—Jordan. Pub. 6897. Ne and Middle Eastern Series 44. 10 pp. 10¢.

A fact sheet discussing the country, government, and t U.S. military and economic assistance programs.

Mutual Security in Action—Turkey. Pub. 6898. Ne and Middle Eastern Series 45. 16 pp. 10¢.

A fact sheet discussing the country, government, econon and U.S. military and economic assistance.

Mutual Security in Action—the Philippines. Pub. 69 Far Eastern Series 84. 12 pp. 10¢.

A fact sheet discussing the country, government, econon and the role of U.S. assistance.

Mutual Security in Action—India. Pub. 6910. Near a Middle Eastern Series 46. 20 pp. 10¢.

A fact sheet discussing the country and its people, g ernment, economy, and U.S. assistance.

Mutual Security in Action—Spain. Pub. 6913. Europe and British Commonwealth Series 58. 14 pp. 10¢.

A fact sheet discussing the country, history, governme economy, and the role of U.S. assistance.

Surplus Agricultural Commodities. TIAS 4311. 5 pp. Agreement between the United States of America Brazil, amending agreement of December 31, 1956, corrected and amended. Exchange of notes—Signed Washington September 2, 1959. Entered into fo September 2, 1959.

Surplus Property—Sale of Excess Military Property Taiwan. TIAS 4312. 11 pp. 10¢.

Agreement between the United States of America China. Exchange of notes—Signed at Taipei July 1959. Entered into force July 22, 1959.

Atomic Energy—Cooperation for Civil Uses. TIAS 4 5 pp. 5¢.

Agreement between the United States of America France, amending agreement of June 19, 1956, amended—Signed at Washington July 22, 1959. Ente into force September 22, 1959.

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†856	12/15	U.S.-India joint communique.
*857	12/15	Russell designated USOM director, Paraguay (biographic details).
†858	12/15	U.S.-Iran joint communique.
859	12/15	Dillon: Lafayette Gold Medal Award dinner.
860	12/16	Resident consuls assigned to Northern Rhodesia and Nyasaland.
861	12/16	Note to U.S.S.R. on German draft radio legislation.
†862	12/16	U.S.-Greece joint communique.
*863	12/16	Davis designated Deputy Assistant Secretary for European Affairs (biographic details).
†864	12/17	U.S.-Tunisia joint communique.
865	12/18	North Atlantic Council communique.
†867	12/19	Dillon: IBRD announcement of visits to India and Pakistan.

*Not printed.
†Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

Bulletin

Vol. XLII, No. 1072 • Publication 6928

January 11, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Western Heads of State and Government Meet at Paris

Following are texts of two communiques issued t Paris on December 21 at the close of the meet-ng of the Heads of State and Government of rance, Germany, the United Kingdom, and the nited States, which was held at Paris and ambouillet December 19–21, together with the xt of a letter from President Eisenhower to oviet Premier Nikita S. Khrushchev, proposing n East-West summit meeting.

PECIAL COMMUNIQUE ON ECONOMIC SITUA-ION

ess release 866 dated December 21

The Heads of State and Government have dis-ıssed the important changes that have taken ace in the international economic situation. ecognizing the great economic progress of West-n Europe, they have agreed that virtually all the industrialized part of the free world is now a position to devote its energies in increased easure to new and important tasks of coopera-ve endeavor with the object of: (A) Furthering e development of the less developed countries, ıd (B) pursuing trade policies directed to the und use of economic resources and the mainte-nce of harmonious international relations, thus ntributing to growth and stability in the world onomy and to a general improvement in the ındard of living. In their view these coopera-'e principles should also govern the discussions commercial problems arising from the existence European economic regional organizations, ıich are or will be constituted within the frame-ɔrk of the General Agreement on Tariffs and ade, such as the European Economic Com-ınity and the European Free Trade Association. ıeir relations both with other countries and with ch other should be discussed in this spirit.

The Heads of State and Government, recognizing that the method of furthering these principles requires intensive study, have agreed to call an informal meeting to be held in Paris in the near future. They suggest that the members and participants of the Executive Committee of the OEEC [Organization for European Economic Cooperation] and the governments whose nationals are members of the Steering Board for Trade of the OEEC should be represented at this meeting.

It is proposed that an objective of such a group should be to consider the need for and methods of continuing consultations dealing with the above-mentioned problems.

FINAL COMMUNIQUE

Press release 869 dated December 21

The President of the United States of America, the President of the French Republic, the Prime Minister of the United Kingdom and the Chancellor of the Federal Republic of Germany met in Paris and at Rambouillet on the 19th, 20th and 21st of December, 1959 and exchanged views on various subjects of common interest.

In the course of these meetings consideration was given to the views expressed by the member governments of the North Atlantic Treaty Organization at the meeting of the Council held in Paris from the 15th to the 17th of December.[1]

Among the subjects discussed were East-West relations, disarmament and problems relating to Germany including Berlin. On the last point the Heads of State and Government reaffirmed the principles set forth in the Four Power communique of December 14, 1958,[2] and in the declaration

[1] For text of a NATO communique of Dec. 17, see BULLETIN of Jan. 4, 1959, p. 3.

[2] For text, see *ibid.*, Dec. 29, 1958, p. 1041.

of the North Atlantic Council of December 16th, 1958 on Berlin.[3]

The Heads of State and Government agreed on the desirability of a Four Power conference with the Chairman of the Council of Ministers of the Union of Soviet Socialist Republics. The purpose of this conference would be to consider a number of questions of mutual concern. President Eisenhower, General de Gaulle and Mr. Macmillan have sent letters to Mr. Khrushchev proposing such a meeting beginning on the 27th of April in Paris. These letters were delivered in Moscow this morning. The texts are being immediately released. The Heads of State and Government have agreed on the procedures to be followed in preparation for the proposed meeting and have issued the necessary directives to this end.

The North Atlantic Council will be informed of the results of the present conversations at the Ministerial meeting which will take place on the 22nd of December, and the Council will be regularly consulted during the course of the preparatory work.

The Heads of State and Government express the hope that the proposed conference will contribute to the strengthening of peace with justice.

LETTER TO MR. KHRUSHCHEV ON EAST-WEST MEETING

December 21, 1959

Dear Mr. Chairman: As you are aware I have just met with President de Gaulle and Prime Minister Macmillan. Among the subjects we discussed was the possibility of our having a meeting with you to consider international questions of mutual concern.

We agreed that it would be desirable for the four Heads of State or Government to meet together from time to time in each other's countries to discuss the main problems affecting the attainment of peace and stability in the world. I therefore wish now to express my readiness to meet with you, President de Gaulle and Prime Minister Macmillan at the earliest feasible time. In view of the engagements of all of us, as they are known to me, we had thought that the opening date for the proposed conference could be April 27 and that Paris would be the most appropriate place for the first meeting.

I very much hope that this proposal is acceptable to you.

Sincerely,

Dwight D. Eisenhower

[3] For text, see *ibid.*, Jan. 5, 1959, p. 4.

NATO Foreign Ministers Conclude Meeting at Paris

Following is the text of a communique issued a Paris on December 22 at the close of the final session of the Ministerial Meeting of the Nortl Atlantic Council.[1]

Press release 871 dated December 22

The North Atlantic Council completed it Ministerial Session on December 22.

The Council heard an account by the Ministe for Foreign Affairs of France, speaking on behal of the Governments of the United States, France the United Kingdom and the Federal Republi of Germany, of the conclusions reached by th Heads of State and of Government during thei discussions in Paris from the 19th to the 21st o December in regard to East-West relations During the detailed discussions which followe the Council recognized that the views expresse by the four Governments fully reflected thos which had been expounded by its members o December 15th. The Council gives its full suppo to the position adopted by the four Government

The Council takes note of the arrangements pro posed to the Soviet Government for the openin of negotiations in Paris in April. It agrees wit the arrangements made to secure full consultatio with all member Governments during the prepara tion of these negotiations and undertakes to pla a constructive part in ensuring their success. instructed the Permanent Council to ensure th member Governments are informed and consulte and to make the necessary arrangements to th end.

The Council heard a report from the Minist for Foreign Affairs of Italy, on behalf of the fi

[1] For text of a communique issued at the close of t first part of the Ministerial Meeting, see Bulletin of Ja 4, 1960, p. 3.

Western members of the Committee of Ten on Disarmament (Canada, France, Italy, the United Kingdom and the United States), regarding the decisions taken by them. It agrees with the five Governments that March 15th should be proposed for the meeting of this Committee. It approves the arrangements made in regard to prior consultations, and instructs the Permanent Council, calling as it desires upon the NATO military authorities, to consider what further assistance it can give to the consideration of plans for controlled disarmament.

While welcoming the new prospects of negotiations and agreement, the Council thinks it necessary to reaffirm the principles which it set out in its statement on Berlin on the 16th of December, 1958,[2] and to emphasize once again that the Alliance must remain vigilant and strong. The Council shares the hope of the Heads of State and of Government that the forthcoming conference will contribute to the strengthening of peace with justice.

R. L. Dennison Appointed Supreme Allied Commander, Atlantic

Following is the text of an announcement by the North Atlantic Council which was released by the White House on December 23.

The North Atlantic Council appointed Admiral Robert L. Dennison, United States Navy, as Supreme Allied Commander, Atlantic, to succeed Admiral Jerauld Wright. The Council had been informed of the contents of a letter[1] from the President of the United States of America to the Secretary General of the North Atlantic Treaty Organization and Chairman of the Permanent Council, in which the President asked the member governments to agree to release Admiral Wright, who had requested retirement from the United States Navy on March 1, 1960.

The Council agreed with great regret to release Admiral Wright from his assignment as Supreme Allied Commander, Atlantic, a position which he had held since being appointed by the Council on April 12, 1954. They expressed to Admiral Wright, in the name of the governments represented on the Council, lasting gratitude for the distinguished service rendered by him.

The Council requested the President of the United States of America to nominate an officer of the United States Navy for appointment by the Council as Supreme Allied Commander, Atlantic, to succeed Admiral Wright. This request was transmitted to the President of the United States, who informed the Council of his nomination of Admiral Dennison for consideration by the Council as successor to Admiral Wright.

At its meeting the Council adopted a resolution appointing Admiral Dennison as Supreme Allied Commander, Atlantic, as successor to Admiral Wright, with the same powers and functions. The appointment is to become effective February 29, 1960.

Admiral Dennison is currently serving as Commander in Chief, United States Naval Forces, Eastern Atlantic and Mediterranean, a position he has held since March 31, 1959. He previously served as Deputy Chief of Naval Operations (Plans and Policy) and commanded the United States First Fleet.

[2] For text, see *ibid.*, Jan. 5, 1959, p. 4.
[1] Not printed.

Western Foreign Ministers Propose Disarmament Meeting in March

Following is the text of a communique issued at Paris on December 21 by the foreign ministers of Canada, France, Italy, the United Kingdom, and the United States.

Press release 886 dated December 30

The Foreign Ministers of Canada, France, Italy, the United Kingdom and the United States met in Paris on December 21. These five countries are members of the 10-nation Disarmament Committee, the formation of which was referred to in the communique issued on September 7, 1959,[1] by the Governments of France, the United Kingdom, the United States of America and the Union of Soviet Socialist Republics.

The five Foreign Ministers agreed that they would suggest to the other states members of the

[1] BULLETIN of Sept. 28, 1959, p. 438.

10-nation Disarmament Committee that the Committee should begin its work on or about March 15, 1960, at the agreed location, Geneva, subject to the agreement of the Swiss Government.[2] They agreed to inform the Secretary General of the United Nations of this proposal.

It was further agreed that the representatives of their governments should plan to convene at Washington in January to prepare for the meeting of the 10-nation Disarmament Committee. In the course of their deliberations they will take into account the views of the North Atlantic Council which will be kept fully informed of the progress of their work.

President Eisenhower Completes Visits to 11 Countries in Europe, Middle East, South Asia, and Africa

President Eisenhower returned to Washington on December 22 from a 3 weeks' trip to Europe, the Middle East, South Asia, and Africa. At Paris the President attended a meeting of the Western Heads of State and Government December 19–21.[1]

For texts of communiques released following President Eisenhower's visits to Italy, Turkey, Pakistan, and Afghanistan, see Bulletin of December 28, 1959, page 931. Following are texts of addresses he made in India, Iran, and Greece, together with joint communiques issued at the close of his visits in each of these countries and in Tunisia, Spain, and Morocco.

ADDRESS TO INDIAN PARLIAMENT, NEW DELHI, DECEMBER 10

White House (New Delhi) press release dated December 10 (as delivered text)

It is with a sense of high distinction that I accepted the invitation to address you. I deem this a great personal honor and a bright symbol of the genuine friendship between the peoples you and I represent.

I bring to this nation of 400 million assurance from my own people that they feel that the welfare of America is bound up with the welfare of India. America shares with India the deep desire to live in freedom, human dignity, and peace with justice.

A new and great opportunity for that sort of life has been opened up to all men by the startling achievements of men of science during recent decades. The issue placed squarely before us today is the purpose for which we use science.

Before us we see long years of what can be a new era—mankind in each year reaping a richer harvest from the fields of earth, gaining a more sure mastery of elemental power for human benefit, sharing an expanding commerce in goods and in knowledge and wisdom, dwelling together in peace.

But history portrays a world too often tragically divided by misgiving and mistrust and quarrel. Time and again governments have abused the fields of earth by staining them with blood and scarring them with the weapons of war. They have used a scientific mastery over nature to win a dominance over others—even made commerce an instrument of exploitation.

The most heartening, hopeful phenomenon in the world today is that people have experienced a great awakening. They see the evils of the past as crimes against the moral law, injuring the offender as well as the victim. They recognize that only under the rule of moral law can all of us realize our deepest and noblest aspirations.

One blunt question I put to you and to all—everyone, everywhere—who, like myself, share responsibility assigned to us by our people: Must we continue to live with prejudices, practices, and policies that will condemn our children and our children's children to live helplessly in the pattern of the past—awaiting possibly a time of war borne obliteration?

We all fervently pray not. Indeed, there can be no statesmanship in any person of responsibility who does not concur in this worldwide prayer.

[2] For the appointment of Fredrick M. Eaton as chairman of the U.S. delegation, see *ibid.*, Dec. 21, 1959, p. 902.

[1] See p. 43.

Over most of the earth men and women are de-
ermined that the conference table shall replace the
ropaganda mill; international exchange of
nowledge shall succeed the international trade
n threats and accusations; and the fertile works
f peace shall supplant the frenzied race in arma-
nents of war.

Moving Into a Better Era

Our hope is that we are moving into a better
ra. For my part, I shall do all I can, as one
uman working with other humans, to push
oward peace, toward freedom, toward dignity and
worthy future for every man and woman and
hild in the world.

If we—and especially all those occupying posi-
ions of responsibility—give all that is within us
o this cause, the generations that follow us will
all us blessed. Should we shirk the task or
ursue the ways of war—now become ways to
nnihilation and race suicide—there may be no
enerations to follow us.

I come here representing a nation that wants not
n acre of another people's land; that seeks no
ontrol of another people's government; that pur-
ues no program of expansion in commerce or
olitics or power of any sort at another people's
xpense. It is a nation ready to cooperate toward
chievement of mankind's deep, eternal aspira-
ions for peace and freedom.

And I come here as a friend of India, speaking
or 180 million friends of India. In fulfilling a
lesire of many years I pay, in person, America's
ribute to the Indian people, to their culture, to
heir progress, and to their strength among the
ndependent nations.

All humanity is in debt to this land. But we
mericans have, with you, a special community of
nterest. You and we from our first days have
ought, by national policy, the expansion of
emocracy. You and we, peopled by many strains
nd races speaking many tongues, worshipping in
many ways, have each achieved national strength
ut of diversity. And you and we never boast
hat ours is the only way. We are conscious of
ur weaknesses and our failings. We both seek
he improvement and betterment of all our citi-
ens by assuring that the state will serve, not mas-
er, its own people or any other people. Above
ll, our basic goals are the same.

Ten years ago your distinguished Prime Min-
ister [Jawaharlal Nehru], when I was his host at
Columbia University in New York, said:

> Political subjection, racial inequality, economic misery—these are the evils we have to remove if we would assure peace.

Our Republic, since its founding, has been committed to a relentless, ceaseless fight against those same three evils: political subjection, racial inequality, economic misery. Not always has America enjoyed instant success in a particular attack on them. By no means has victory been won over them, and indeed complete victory can never be won so long as human nature is not transformed. But in my country, through almost 200 years, our most revered leaders have been those who have exhorted us to give of our lives and our fortunes to the vanquishment of these evils. And in this effort for the good of all our people we shall not tire nor cease.

Ten years have passed since Mr. Nehru spoke his words. The pessimist might say that not only do the three evils still infest the world—entrenched and manifold—but that they will never lose their virulence. And the future, he might conclude, will be a repetition of the past—the world stumbling from crisis in one place to crisis in another, given no respite from anxiety and tension, forever fearful that inevitably some aggression will blaze into global war.

Thus might the pessimist speak. And were we to examine only the record of failure and frustration, we all would be compelled to agree with him.

We Americans have known anxiety and suffering and tragedy, even in the decade just past. Tens of thousands of our families paid a heavy price that the United Nations and the rule of law might be sustained in the Republic of Korea. In millions of our homes there has been, in each, the vacant chair of absent men, a son who, performing his duty, gave some of the years of his youth that successful aggression might not come to pass. The news from near and distant places that has reached us in America through these 10 years has been marked by a long series of harsh alarms.

These alarms invariably had their source in the aggressive intentions of an alien philosophy backed by great military strength. Faced with this fact, we in America have felt it necessary to make clear our own determination to resist aggression through the provision of adequate armed

forces. These forces serve us and those of our friends and allies who, like us, have perceived the danger. But they so serve for defensive purposes only. In producing this strength we believe we have made a necessary contribution to a stable peace, for the present and for the future as well.

Historically and by instinct the United States has always repudiated and still repudiates the settlement by force of international issues and quarrels. Though we will do our best to provide for free-world security, we continue to urge the reduction of armaments on the basis of effective reciprocal verification.

And contrasting with some of our disappointments of the past decade and the negative purposes of security establishments, Americans have participated also in triumphant works of world progress, political, technical, and material. We believe these works support the concept of the dignity and freedom of man. These hearten America that the years ahead will be marked by like and greater works. And America watches with friendly concern the valiant efforts of other nations for a better life, particularly those who have newly achieved their independence.

Tribute to Indian People

Ten years ago India had just achieved independence, wealthy in courage and determination but beset with problems of a scale and depth and numbers scarcely paralleled in modern history. Not even the most optimistic of onlookers would then have predicted the success you have enjoyed.

Today India speaks to the other nations of the world with greatness of conviction and is heard with greatness of respect. The near conclusion of her second 5-year program is proof that the difficulty of a problem is only the measure of its challenge to men and women of determined will. India is a triumph that offsets the world's failures of the past decade, a triumph that, as men read our history a century from now, may offset them all.

India has paced and spurred and inspired men on other continents. Let anyone take a map of the earth and place on it a flag wherever political subjection has ended, racial prejudice been reduced, economic misery at least partially relieved during the past 10 years. He will find evidence in the cluster of these flags that the 10 years past may well have been the 10 most fruitful years in the age-old fight against the three evils.

Because of these 10 years, today our feet are set on the road leading to a better life for all men.

What blocks us that we do not move forward instantly into an era of plenty and peace?

The answer is obvious: We have not yet solved the problem of fear among the nations. The consequence is that not one government can exploit the resources of its own territory solely for the good of its people.

Governments are burdened with sterile expenditures, preoccupied with attainment of a defensive military posture that grows less meaningful against today's weapons carriers.

Much of the world is trapped in the same vicious circle. Weakness in arms often invites aggression or subversion or externally manipulated revolutions. Fear inspired in others by the increasing military strength of one nation spurs them to concentrate still more of their resources on weapons and warlike measures. The arms race becomes more universal. Doubt as to the true purpose of these weapons intensifies tension. Peoples are robbed of opportunity for their own peaceful development. The hunger for a peace of justice and good will inevitably becomes more intense.

Search for Disarmament

Controlled, universal disarmament is the imperative of our time. The demand for it by the hundreds of millions whose chief concern is the long future of themselves and their children will, I hope, become so universal and so insistent that no man, no government anywhere, can withstand it.

My Nation is committed to a ceaseless search for ways through which genuine disarmament can be reached. And my Government, even as I said more than 6 years ago, in April of 1953,[2] still "is ready to ask its people to join with all nations in devoting a substantial percentage of the savings achieved by disarmament to a fund for world aid and reconstruction."

But armaments of themselves do not cause wars; wars are caused by men.

And men are influenced by a fixation on the past, the dead past, with all its abuses of power, its misuses of responsibility, all its futile convictions that force can solve any problem.

[2] BULLETIN of Apr. 27, 1953, p. 599.

In the name of humanity, can we not join in a 5-year or a 50-year plan against mistrust and misgiving and fixations on the wrongs of the past? Can we not apply ourselves to the removal or reduction of the causes of tension that exist in the world? All these are the creations of governments, cherished and nourished by governments. The peoples of the world would never feel them if they were given freedom from propaganda and pressure.

Permit me to cite two simple examples from my own experience. As President of the United States, I welcomed into our Union last year a new sovereign State—Hawaii—peopled by all the races of the earth, men and women of that new State having their ancestral homes in Asia and Africa and Europe, the two Americas, the islands of the earth. Those peoples are of every creed and color, yet they live together in neighborly friendliness, in mutual trust, and each can achieve his own good by helping achieve the good of all.

Hawaii cries insistently to a divided world that all our differences of race and origin are less than the grand and indestructible unity of our common brotherhood. The world should take time to listen with attentive ear to Hawaii.

As president of Columbia University, every year we welcomed to its campus [young people] from every continent, from almost every nation that flew a flag—and some tribes and colonies not yet free. In particular there still lives in my memory, because of their eagerness and enthusiasm for learning, the presence of hundreds of young people from India and China and Japan and the other Asian countries that studied among us, detached from any mutual prejudice or any vexation over past wrongs—indeed, these vices are not easily discernible among the young of any people.

These two simple things from my own experience convince me that much of the world's fear, suspicion, prejudices, can be obliterated. Men and women everywhere need only to lift up their eyes to the heights that can be achieved together and, ignoring what has been, push together for what can be.

Not one wrong of years ago that still rankles, not one problem that confronts us today, not one transitory profit that might be taken from another's weakness, should distract us from the pursuit of a goal that dwarfs every problem and wrong of the past.

We have the strength and the means and the knowledge. May God inspire us to strive for the worldwide will and the wisdom that are now our first needs.

In this great crusade, from the history of your own nation, I know India will ever be a leader.

REMARKS AT AGRICULTURE FAIR, NEW DELHI, DECEMBER 11

White House (New Delhi) press release dated December 11 (as delivered text)

I am signally honored by the invitation to join President [Rajendra] Prasad at the opening of the World Agriculture Fair—the first such fair as this ever held. And it is entirely right that it be held here in India. For this nation recognizes in agriculture the fundamental occupation of man and the chief assurance of better living for its citizens.

My own country was quick to accept when invited to participate in this historic event. And today I am particularly honored that India's Chief of State will be with me when, in a few minutes, I officially open the United States exhibit at the fair. Indeed, the occasion of this fair gave me the very finest reason I could think of to make this the time of the visit to India that I had long determined upon.

At this American exhibit all visitors can see how we Americans have managed the soil of our land so that our people might live well for themselves and have enough food left over to help others. Our way is not necessarily the best, even for us, but here we depict in the American exhibit American agriculture as it is. We do have a natural pride in what we have accomplished by a creative union of human spirit, fertile earth, and inventive science. But, beyond this, we see in modern agriculture a most effective instrument for a better life among all men. "Mela USA" points up its use for that high purpose.

On the personal side, I visit this fair with keen interest. As a boy and young man I grew up in the heart of the American farmland. A long-held ambition during my professional years—not always too well concealed—has been to return to the farm. And I plan to be a farmer—when my present form of occupation comes to a close. So, I have a keen interest in spending a bit of time at this fair, where so many nations present their achievements in methods and techniques and ways of agriculture. I shall see here much that is new to me. Many of these things are probably im-

provements on what I have seen or done in the past, and I hope I am still not too old to learn.

For a moment I hope you will indulge me as I suggest some thoughts on how food can help all of us achieve better lives in a world of justice and peace.

Today we have the scientific capacity to abolish from the world at least this one evil; we can eliminate the hunger that emaciates the bodies of children, that scars the souls of their parents, that stirs the passions of those who toil endlessly and earn only scraps.

Men, right now, possess the knowledge and the resources for a successful worldwide war against hunger—the sort of war that dignifies and exalts human beings. The different exhibits in this whole fair are clear proof of that statement.

Theme of American Exhibit

The call to that genuinely noble war is enunciated in the theme of the American exhibit: "Food—Family—Friendship—Freedom."

Into these four words are compressed the daily needs, the high purposes, the deep feelings, the ageless aspirations that unite Indians and Americans under one banner—the banner of human dignity.

Here are four words that are mightier than arms and bombs, mightier than machines and money, mightier than any empire that ruled the past or threatens the future.

Here are four words that can lift the souls of men to a high plane of mutual effort, sustained effort, the most rewarding effort that can be proposed to mankind.

First—*Food*—that our bodies may be fit for every task and duty and service; our minds free from the fear of hunger; our eyes, undimmed by the tragedies of famine, searching out new horizons; our aspirations not frustrated by failure of crop or catastrophe of weather.

Family—that in our homes there may be decent living and bright hope, children no longer doomed to misery in peace and sudden death in war, their elders no longer broken by want and sorrow beyond their control to mend or cure.

Friendship—that among all the peoples of earth the darkness of ignorance and fear and distrust will dissolve in the light of knowledge and understanding. The time has come when we must all live together for our mutual betterment or we shall all suffer harsh, possibly the final, penalty.

Freedom—that on all continents and islands of the earth every man and woman of good will and good life may make the proudest of human boasts: "I am free, slave to no tyranny imposed by other men, by the accident of birth, by the whims of circumstance."

Presenting the Role of Agriculture

The American exhibit at this fair presents the role we feel agriculture can play in furtherance of a healthy, fruitful, peaceful world where the families of all nations can live in freedom from fear of famine and war.

In no wise whatsoever is the American exhibit an attempt to portray our agriculture as superior to any other. Through centuries of living with the soil and streams, the environment and climate of their own lands, people have learned adjustments and adaptations peculiarly suited to their own circumstances.

What we do present here are ways in which American farmers multiplied their productivity the fertility of their fields, the vigor and the value of their livestock.

In this exhibit visitors will see the techniques the changes in old methods, the applications of new discoveries that have best served America's particular requirements. Modified to fit your needs and your circumstances, it is our hope that they might be of value to you.

Of course, they cannot work miracles overnight in any land. But, with each harvest, they may help to bring every people using them closer to dependable self-sufficiency.

Food for Peace

Early this year, I set in motion a new program "to explore anew with other surplus-producing nations all practical means of utilizing the various agricultural surpluses of each in the interest of reinforcing peace and the well-being of friendly peoples throughout the world—in short, using food for peace." [3]

[3] For text of President Eisenhower's special message to Congress on agriculture, see H. Doc. 59, 86th Cong., 1st sess.; for an address on food for peace by Don Paarlberg, Special Assistant to the President, see BULLETIN of Nov. 9, 1959, p. 672.

In keeping with this program my Government nd the Government of India have been working ›gether. Whatever strengthens India, my people re convinced, strengthens us, a sister republic edicated to peace. This great nation of 400 mil-on people, rich in culture and history, courageous ı the resolve to be free and strong, is a mighty ıfluence for an enduring and just peace in the orld. And this is true of every nation so ›urageous, so determined, so inspired as is India. With them we shall continue to cooperate to :hieve a world free from the pangs of hunger, in hich families live full and prosperous lives, here friendship among nations replaces fear and ıspicion, and where men are free in the pursuit : happiness.

Thank you for the great honor you have done e by inviting me here.

›INT COMMUNIQUE, NEW DELHI, ECEMBER 14

ess release 856 dated December 15

At the invitation of the Government of India, e President of the United States of America id a visit to India, lasting from December 9 to . President Eisenhower received on his arrival New Delhi a warm and cordial welcome, marked popular enthusiasm and good will. Through-t his stay and wherever he went, these friendly ınifestations of good will were repeated by mil-›ns of Delhi citizens and others who had come Delhi to join in this welcome.

During his strenuous four-day visit, President senhower fulfilled a number of public engage-›nts. He addressed members of the Indian rliament, received an honorary doctorate of vs from the University of Delhi, participated in › inauguration of the World Agriculture Fair, ended a civic reception on behalf of the city of lhi and visited rural areas near Agra. In thus filling a desire of many years, the President was ›ply touched by the warmth of the welcome ex-ded to him by the people of India, by the gen-›us hospitality of the Government and the ellence of the arrangements made for him.

The President was impressed by the vitality of lia's democratic institutions, of Parliament, ss and university, and by India's strength of rit combined with practical idealism. He saw how India, like the United States, has created national strength out of diversity, neither country boasting that theirs is the only way. He confirmed the bond of shared ideals between India and the United States, their identity of objectives, and their common quest for just and lasting peace.

President Eisenhower met the President of India, the Prime Minister and other members of the Government of India. He and the Prime Minister had intimate talks in which they reviewed the world situation and exchanged views on matters of mutual interest. Among other things, the President told the Prime Minister that he was happy to report to him that all the leaders of the countries he had visited during his recent journey had expressed to him the hope that problems involving one form or another of conflict of interest or views could be solved by peaceful methods of conciliation. He said that this was true in Italy, Turkey, Pakistan, and Afghanistan. The President found this heartening and in harmony with his own thinking. He did not wish in any way to minimize the importance of or the inherent difficulties involved in some of the problems. The spirit he found was good and forward-looking.

The Prime Minister expressed gratification and pleasure at President Eisenhower's visit to India, and thanked him for the warmth and generosity of the sentiments he had expressed. He assured the President of the wholehearted support of India in his unremitting efforts in the cause of world peace. India herself is dedicated to a policy of peace and has been steadfast in her conviction that differences between nations should be resolved peacefully by the method of negotiation and settlement and not by resort to force. She has consistently pursued this policy in relation to problems of this nature affecting her and other countries. The Prime Minister gave President Eisenhower a review of the major aspects of some of these problems and of recent developments in regard to them. The Prime Minister also referred to the great effort that India was making, through her five-year plans, to develop the country, both in regard to agriculture and industry, so as to raise the living standards of the people as rapidly as possible. To this great task, involving the future of 400 million people, India was devoting herself with all her strength and will.

The President and Prime Minister expressed their deep satisfaction at the friendly and cordial

relations existing between their two countries, and their firm belief that their common ideals and objectives and their quest for peace will ensure the maintenance and development of the strong ties of friendship between the two countries. President Eisenhower's visit to India has afforded the welcome opportunity of a meeting between the Presidents of the two countries, and for the renewal of the friendship between him and the Prime Minister of India. He was happy to meet other members of the Government, as well as men and women, young and old, in city and village, Parliament and university, and to bring to them, personally, assurance of the genuine friendship of the people of the United States for the people of India and their sincere and continuing interest in India's welfare. To the people of India, this visit, which had been long hoped for, has given the opportunity for the demonstration of the sincere friendship, good will and sympathy which they feel for the people of the United States.

ADDRESS TO IRANIAN PARLIAMENT, TEHRAN, DECEMBER 14

White House (Tehran) press release dated December 14 (as delivered text)

The honor you do me with this reception in your handsome new Senate building is a clear indication of the high mutual regard which the Iranian and American peoples have for each other.

Personally, I am deeply touched by your welcome.

We know that people, by meeting together, even if for a limited time, can strengthen their mutual understanding. To increase this mutual understanding has been one of the purposes of my trip to Iran, as it has been to the other countries in which I have stopped along the way.

My conversation this morning with His Imperial Majesty, this convocation, my knowledge of the state of relations between our two countries—and indeed, the cordial warmth of the reception that I received upon the streets of your beautiful city—have all been heartening assurances that our two countries stand side by side. This visit reinforces my conviction that we stand together. We see eye to eye when it comes to the fundamentals which govern the relations between men and between nations.

The message I bring you from America is this We want to work with you for peace and friendship, in freedom. I emphasize freedom, because without it there can be neither true peace nor lasting friendship among peoples.

Consequently, Americans are dedicated to the improvement of the international climate in which we live. Though militarily we in America devote huge sums to make certain of the security of our selves and to assist our allies, we do not forge that—in the long term—military strength alone will not bring about peace with justice. The spiritual and economic health of the free world must be likewise strengthened.

Basic Aspirations of Humanity

All of us realize that while we must, at whatever cost, make freedom secure from any aggression, we could still lose freedom should we fai to cooperate in progress toward achieving th basic aspirations of humanity. The world strug gle in which we are engaged is many sided. I one aspect it is ideological, political, and military in others it is both spiritual and economic.

As I well know, you, and the people of Iran are not standing on the sidelines in this struggl

Without flinching, you have borne the forc of a powerful propaganda assault, at the sam time that you have been working at improving th living standards in your nation.

The people of Iran continue to demonstrate th quality of fortitude which has characterized th long annals of your history as a nation. I know speak for the American people when I say we a proud to count so valiant a nation as our partne

Your ideals, expressed in the wise and matu literature of your people, are a source of enrich ment to the culture of the world. By true cooper tion with your friends—and among these Ameri considers herself one—we can proceed togeth toward success in the struggle for peace a prosperity.

Through trust in one another, we can have tru in the fruitful outcome of our efforts together build a brighter future.

This future—the world we will hand on to o children and to our grandchildren—must occu our thinking and our planning and our workin The broad outline of our goal is, I think, clear everyone—to achieve a just peace in freedom.

But peace will be without real meaning—it may ven be unattainable—until the peoples of the orld have finally overcome the natural enemies of umanity—hunger, privation, and disease. The merican people have engaged considerable reurces in this work. I am proud of the many edicated American men and women who have one out into the world with the single hope that ney can ease the pain and want of others.

Some of them are at work in Iran, and I have eard that the people of Iran have found these forts beneficial.

Of course, their work is effective only because ne Government of Iran has sturdily shouldered s responsibilities for the development of the ountry. There are reports of significant accomlishments throughout the length and breath of our land.

chieving an Agreement on Disarmament

America rejoices with you that this is so. On the ng and difficult climb on the road to true peace, ne whole world must some day agree that suspion and hate should be laid aside in the common terest.

Here, I think, is our central problem. I know at you, too, and all men of good will, are deting thought and energy to the practical and alistic steps to this great objective.

One such practical step is, of course, an enforcele agreement on disarmament, or, to be more act, arms reduction. To achieve this, the governents of the world have chosen a primary instruent, the United Nations.

It could seem that, as the realities of the awful ternative to peace become clearer to all, signifint progress in the safeguarded reduction of the ms burden can be made. To such a realistic benning, there is no feasible alternative for the orld.

In the meantime, we cannot abandon our mutual fort to build barriers, such as the peaceful barrier our Central Treaty Organization, against the rsistent dangers of aggression and subversion. his organization, CENTO, has no ulterior or ncealed purpose; it exists only to provide curity.

Such an effort erects a shield of freedom for our nor and for our lives. With such a shield, we eserve the cherished values of our societies.

To be sure, the people of Iran need no reminder of these simple facts. Only yesterday you celebrated the anniversary of the day on which justice triumphed over force in Azerbaijan. The full weight of world public opinion, as represented in the United Nations, supported you in those difficult times. It will always support the rights of any people threatened by external aggression.

Impulse Toward Rule of Law

Justice—the rule of law—among nations has not yet been effectively established. But in almost every nation in the world there is a great awakening to the need for such a development. Certainly this is true among the free nations. Because there is such an awakening, the act of any government contrary to the rights of mankind is quickly resented and keenly sensed by people everywhere.

This is the wellspring of our hope. This is why we are right to believe as we do—despite centuries of human turmoil and conflict—that true peace can and will one day be realized.

The impulse toward justice, toward the recognition of the worth and dignity of each and every human being, will not be denied. This is the mainspring of the movement toward freedom and peace.

Now, may I offer my heartfelt thanks for the opportunity you have given me to speak to you, and through you, the representatives of the people of Iran, to your entire nation.

You have conferred upon me an honor which I shall always remember.

JOINT COMMUNIQUE, TEHRAN, DECEMBER 14

Press release 858 dated December 15

President Eisenhower visited Iran on December 14, 1959. The President and his party were welcomed warmly by the Iranian people. The feelings of the Iranian people shown during this significant visit demonstrated again the strength of the ties between the Governments and people of Iran and the United States.

The visit attested to the confidence of both countries that their cooperation is of benefit both to themselves and to the world.

During the visit talks were held at the palace of His Imperial Majesty [Mohammad Reza Pahlavi] between the two leaders, assisted by Prime Minister [Manuchehr] Eqbal, Foreign Minister

[Abbas] Aram, Ambassador [Robert] Murphy and Ambassador [Edward T.] Wailes.

The President addressed a joint session of the Iranian Parliament. His Imperial Majesty and the President discussed the CENTO [Central Treaty Organization] alliance and both emphasized the importance of CENTO in preserving stability and security in the area.

They reiterated the determination of their Governments to support CENTO and further recognized the usefulness of their bilateral agreement[4] while, of course, continuing to participate in the action of the United Nations for the furtherance of world peace. Both leaders emphasized their adherence to the goals of peace and freedom.

In the course of their talks the world situation was reviewed. Both leaders expressed their belief in the principles of negotiation as a means of finding just and peaceful solutions to problems which arise between nations.

It was agreed that disarmament with adequate controls should be sought in the interest of lasting peace.

His Imperial Majesty and the President also exchanged views on various problems, especially those relating to the Middle East. The President recognized the significant contribution Iran is making to the stability of this important world area.

His Imperial Majesty outlined the economic and social progress achieved in Iran and expressed appreciation for the help given by the American people.

The President congratulated His Imperial Majesty on the service which Iran is rendering the free world, and for his vigorous effort to sustain stability and to further economic development.

The President noted that such programs undertaken by Iran have the objective of creating a more bountiful life for the Iranian people.

President Eisenhower also expressed interest in the steps His Imperial Majesty is taking to promote social progress. The President said that the United States intends to continue to assist Iran in the mutual interest of both nations.

The President took the opportunity to express the admiration of the people of the United States for the brave stand of the Iranian people and Government in the face of outside pressure.

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[4] BULLETIN of Mar. 23, 1959, p. 416.

ADDRESS TO GREEK PARLIAMENT, ATHENS, DECEMBER 15

White House (Athens) press release dated December 15 (a delivered text)

I am greatly honored that I have been invite to speak before this distinguished Parliament Greatness and grandeur are all about us—great ness and grandeur of ideas and ideals that wer born and first enunciated nearby, of men foreve memorable who walked and lived here, of a peo ple whose valor and vitality and wisdom are writ ten large on the human record.

Your present Government and its leaders, you distinguished Prime Minister, are producing record of achievement that makes them worth successors to their illustrious predecessors.

I represent in this place 180 million men an women who with you of Greece share the golde legacy of culture and civilization bequeathed b your forebears to the Western World. We Ameri cans, with you Greeks, are fellow heirs to the glor of Greece.

In this city of Athens more than a score of cen turies ago, democracy—in its principles and i its practices—first won the hearts and minds o men. This house of free representative govern ment symbolizes the vigor of modern democrac in its ancient birthplace, demonstrates that th will of men to be free is imperishable.

In our common dedication to the ideals of de mocracy our two countries—America an Greece—feel a basic kinship. An American ca feel as much at home here as in Washingto or Abilene, my own village, or Brooklyn, just a Greeks quickly find themselves at home in thos three places in America.

Salute to Greek People

To this Parliament I come with a message o admiration and respect from the American peopl to the Greek people, and for the light of inspira tion that shone out, in our own day, to all the fre world from this land and its islands.

You have proved yourselves fearless in defens of your independence, tireless in your attack o the evils of hardship and privation, ready for sac rifice that your children might enjoy a brighte day. And, beset with hardship and difficulty a home, you joined in cooperation with the othe countries of the Atlantic Alliance for mutual de

ense and security. Your expeditionary force to Korea, by its valor and heroism, helped sustain the rule of law and the United Nations in that divided nation.

The American people and, I am sure, all the free peoples of the world salute you, valiant and worthy heirs to the Greek traditions.

Peace and Friendship in Freedom

And now, briefly, permit me to speak on a cause close to my heart—close, I hope, to the hearts of all who believe in the brotherhood, the dignity, the divine origin and destiny of man as a child of God, created in His image. The cause is: Peace and friendship in freedom.

The Greek and American peoples share a common and deep devotion to peace. We share further the conviction that we must sustain the conditions under which the goal of peace may be pursued effectively.

We must be strong militarily, economically—but above all, spiritually. By developing and preserving such strength—by forever repudiating the use of aggressive force—we shall win the sort of peace we want, with friendship in freedom.

I mean peace that is creative, dynamic, fostering a world climate that will relieve men and their governments of the intolerable burden of armaments, liberate them from the haunting fear of global war and universal death.

I mean friendship that is spontaneous and warm, welling up from a deep conviction that all of us are more concerned with the bettering of our circumstances, giving our children wider opportunity and brighter promise, than in destroying each other.

I mean freedom in which, under the rule of law, every human will have the right and a fair chance to live his own life, to choose his own path, to work out his own destiny, that nations will be free from misgivings and mistrust, able to develop their resources for the good of their people.

To this cause of peace and friendship in freedom, Greeks are contributing all their hearts and minds and energies. Joined with the free men of the world, they can help mankind at long last to enjoy the fullness of life envisioned by the ages of ancient Greece.

Honorable Members of Parliament, I want to assure you again of the very deep sense of distinction that I feel in the invitation to address you. I feel that here I am with men who, like myself and all other Americans, love peace and freedom and want to work with you for it.

JOINT COMMUNIQUE, ATHENS, DECEMBER 15

Press release 862 dated December 16

On the occasion of his official visit to Greece on the 14th and 15th of December, the President of the United States, Mr. Dwight Eisenhower, concluded talks with the Prime Minister of Greece, Mr. Constantine Caramanlis. Present at the talks were the American Ambassador, Mr. Ellis O. Briggs, and the Under Secretary of State, Mr. Robert Murphy, and on the Greek side the Deputy Prime Minister, Mr. Panayotis Kanellopulos, and the Acting Minister of Foreign Affairs, Mr. Constantine Tsatsos.

The President expressed his warm appreciation of the hospitality extended by Their Majesties, King Paul and Queen Frederika, and of all the Greek people.

The talks covered a wide range of general and specific topics of common interest to both countries. Both countries affirmed their faith in the principles of the Charter of the United Nations and their staunch support of the objectives of the North Atlantic Treaty Organization which, based on the solidarity of its members, aim at the firm establishment of security and peace with justice. The relaxation of world tensions was discussed in this spirit.

The Greek Prime Minister expressed his deep appreciation for the great endeavor for peace undertaken by President Eisenhower. Both agreed that the consolidation of world peace must be pursued in such a way as to guarantee the independence of all nations and the freedom of the individual.

Historic instances in which both countries stood side by side in hard struggles were recalled. In this context the importance of Greece in the common defense effort was recognized.

Opinions were exchanged concerning those parts of the world of particular interest to Greece. Careful account was taken of her special position in the Balkans. The general situation in this area, as well as in the Eastern Mediterranean, was examined. It was agreed that the two Govern-

ments should exchange views on matters of mutual concern involving these areas.

The Greek Prime Minister expressed the gratitude of the Greek people for the enduring interest and help being extended by the American people. He also explained to the President the problems the country faces in seeking to raise the standard of living of the Greek people, and maintaining the obligations and responsibilities of its position in the defense structure of the free world.

President Eisenhower, recognizing the special economic and social conditions of Greece, expressed his admiration for the improvement being accomplished by the country, and reaffirmed the interest of the American people in the security and economic development of Greece generally.

It was recognized that improvement in the standard of living in the economically less-developed countries constitutes a vital element in the consolidation of international peace.

The conversations were held in an atmosphere of deep sincerity and warm cordiality, such as have traditionally characterized the relations of the two countries, and which were so happily confirmed by the visit to Greece of the President of the United States.

JOINT COMMUNIQUE, TUNIS, DECEMBER 17

Press release 864 dated December 17

President Eisenhower and President [Habib] Bourguiba, accompanied by their advisers, met at La Marsa on December 17.

The two Presidents reviewed in general terms the international situation in a spirit of frankness and cordiality. Their discussions centered on the necessity to continue the progress which is now being made towards strengthening of peace and the reduction of the causes of international tension.

In this connection, they examined the situation created by the difficulties in Algeria. They agreed that the fact that a solution has not yet been achieved is a cause of grave concern.

They agreed that the achievement of self-determination by African and Asian people is one of the most important events of our times. They welcomed the opportunity offered for the evolution of new relationships and the improvement of old ones based on a common attachment to fundamental principles of human rights and dignity.

President Eisenhower and President Bourguiba expressed their conviction that the efforts by nations to consolidate the peace necessitate increased support from the more industrialized nations for countries in the course of developing their economies.

The conversations between the two Presidents revealed a wide area of understanding of the problems raised.

JOINT COMMUNIQUE, MADRID, DECEMBER 22

Press release 876 dated December 28

The President of the United States and the Chief of the Spanish State [General Francisco Franco] this morning concluded a series of conversations in which they were joined by other officials of both governments.

The President reviewed the purposes which had led him to undertake his goodwill tour and the results which he hoped would be achieved. He gave the Chief of State a review of his trip, including the Western Summit Conference. The talks, which covered a wide variety of other international matters of interest to both countries were conducted in an atmosphere of cordiality and understanding.

The President and the Chief of State discussed the President's planned visit to the Soviet Union next year and confirmed their views as expressed in their exchange of letters of last August [5] that such consultations to improve the climate of relationships would be beneficial, although a firm defense posture should be maintained.

Gratifying progress was noted in the implementation of the Economic and Defense Agreements signed by the United States and Spain on September 26, 1953. These agreements are based on a recognition of the necessity for efforts on the part of both countries to achieve the common goal of world peace and stability.

During these conversations Spain's admission to the Organization for European Economic Co-operation was mentioned with satisfaction, and the President expressed his good wishes for the success of the Spanish economic stabilization program.

The conversations served as another indication of the friendly ties between the Spanish and

[5] For texts, see *ibid.*, Sept. 21, 1959, p. 404.

American peoples and strengthened the bonds of cooperation that exist between the two countries.

JOINT COMMUNIQUE, CASABLANCA, DECEMBER 22

Press release 878 dated December 28

The meeting between the President and His Majesty [Mohammed V, King of Morocco] took place on December 22, 1959, at Casablanca, and lasted from 1500 to 1700 and took place in an atmosphere of cordiality which is characteristic of the relations which arise from the traditional friendship which has never ceased to exist between the United States of America since the proclamation of their independence and their recognition by the Kingdom of Morocco.

In the course of this interview the two Chiefs of State first of all examined the world situation and the problems which arise therefrom.

They rejoice in the relaxation of international tensions and while reaffirming their faith in the great values of the freedom of peoples and the dignity of men, they feel that any initiative of a nature to lead to the consolidation of peace and insure international cooperation, should be encouraged.

His Majesty drew President Eisenhower's attention to the multiple bonds which unite Morocco and other Arab countries and make it sensitive to everything which affects them.

His Majesty emphasized the vital importance to Morocco of the end of the war in Algeria, in view of the profound repercussions which this has on the national life of Morocco and its international relations.

The two Chiefs of State noted with great satisfaction the positive character of the political evolution of the Algerian problem, and rejoice in the progress accomplished towards a peaceful solution of this problem through the acceptance by the interested parties of the principle of self-determination and recourse to consultation.

His Majesty the King of Morocco and the President of the United States have welcomed the opportunity provided by the President's brief visit to Morocco to renew their warm personal friendship and, with the time available, review questions of interest to them. Their exchange of views strengthened their already deep confidence in the possibilities of fruitful cooperation between nations such as Morocco and the United States, sharing common goals of peace and justice among men and guided by the same basic principles of national conduct. This was specifically revealed in their discussions of the withdrawal of United States forces from Morocco, and they were greatly encouraged by the progress that has been made since His Majesty's visit to Washington in 1957.

Preliminary preparations for the departure of United States forces from Morocco will begin in the immediate future, and it is agreed between His Majesty the King of Morocco and the President of the United States of America, that United States forces will be withdrawn by the end of 1963. In this connection, immediate steps will be taken to release the airfield at Ben Slimane (Boulhaut). This will be achieved not later than March 31, 1960.

Netherlands Eases Controls on U.S. Imports

The Department of Commerce and the Department of State (press release 873) released the following joint statement on December 24.

Import restrictions will be removed from 12 more items by the Netherlands Government on January 1, according to the Bureau of Foreign Commerce, U.S. Department of Commerce.

This is the latest in a series of actions which have abolished discriminatory treatment of U.S. goods and liberalized an overwhelming majority of Dutch imports. Although the products to be decontrolled in January have been subject to import quotas, the quotas appear to have been administered in such a way that the flow of U.S. exports to the Netherlands was not impaired.

The commodities affected include seed rye and certain types of rice, fats, sugars, acids, soaps, coopers' wares, and glassware. The commodities concerned in this action will be reported in detail in the *Foreign Commerce Weekly* dated December 28.

Opportunities for International Cooperation in Space Exploration

by T. Keith Glennan
Administrator, National Aeronautics and Space Administration [1]

It is an honor to speak from this platform tonight. I am particularly grateful for the opportunity to bring to the members of this distinguished audience a brief discussion of our national space program. As citizens, you should be aware of the problems and promises that challenge the Nation in the field of space exploration. As members and friends of the World Affairs Council, you will be interested, I am sure, in the possibilities for useful and effective international cooperation that reside in this new area of scientific activity.

As one of my colleagues has put it, when one considers the vast distances of the solar system—93 million miles to the sun; 26 million miles to Venus, the nearest planet; 3,680 million miles to Pluto—and when one catalogs the problems to be solved and the new knowledge that is needed in almost every branch of science and technology from magnetohydrodynamics to cosmology, from materials to biology and psychology, the magnitude of the task before us becomes apparent. It is a task that challenges the peoples of the earth as a whole. There is room for cooperation of men of many skills and of nations large and small.

In this context of viewing space research as an instrument for the development of meaningful cooperation between nations, let me first describe the program of the United States. I will then tell you what I know of the program of the Soviet Union. Finally, I shall discuss the manner in which international cooperation is beginning to develop. In doing this I shall borrow liberally from reports and papers presented at international meetings which have been held in the last several months.

Interest of Man in Outer Space

The interest of man in outer space began long ago among uncivilized peoples to whom the face of the sky was clock and almanac; the celestial bodies, objects of worship. Exploration was at first by visual observation, later aided by armillary spheres and quadrants, and still later by more precise measuring instruments, telescopes, and spectroscopes. The information obtained was that borne by the light that was transmitted from the distant celestial object through the atmosphere to the observing instrument on the ground. In recent years the light waves have been supplemented by radio waves as carriers of information from the stars and planets.

Men of many nations have contributed through the centuries to the exploration of space by the methods of astronomy. The history of advances in astronomical knowledge and technique includes the records of Chinese, Babylonians, Greeks, Arabians, and of nearly every nation of the modern world. International cooperation was early recognized as essential and beneficial; the countless number of the stars and the vastness of space present mankind with a truly global task.

The picture of the universe obtained by the astronomers early stirred the imagination of men to speculate about the existence of life elsewhere in the universe, about means of communication with distant stars, and, in the last centuries, about the possibility of the travel of man to the moon and planets. Some sought to apply the science and engineering of their day to describe the

[1] Address made before the World Affairs Council at Pasadena, Calif., on Dec. 7. For statements made in the U.N. General Assembly by Ambassador Henry Cabot Lodge regarding the Committee on the Peaceful Uses of Outer Space, see p. 64.

vehicles to be used. For example, Jules Verne published in 1865 in *From the Earth to the Moon* a description of a gun-launched projectile carrying passengers to orbit the moon. Today we have taken the first steps to bring this inspired vision to reality. The exploration of space by unmanned vehicles carrying scientific apparatus began on October 4, 1957; exploration by man will follow in due course.

Now that date—October 4, 1957—did something more than mark the successful launching of a satellite into an orbit around the earth by the Soviet Union. It brought this Nation to its feet in a sort of bewilderment. How had this come about? Our leadership in science and technology, our genius for applying new knowledge gained through research to the solution of the problems of mankind—these were being challenged, and in a most dramatic way. Initial reactions of skepticism began to give way to a sober realization that space research was more than a scientific activity. In the hands of a determined and able competitor, it was a mighty instrument for propaganda and a symbol of international prestige.

Establishment of NASA

In mid-1958 the National Aeronautics and Space Act [2] was signed into law and the National Aeronautics and Space Administration was established. The act begins with a declaration of policy and purpose which reads thusly:

> The Congress hereby declares that it is the policy of the United States that activities in space should be devoted to peaceful purposes for the benefit of all mankind.

It also declares that,

> The aeronautical and space activities of the United States shall be conducted so as to contribute materially (among other objectives) cooperation by the United States with other nations and groups of nations in work done pursuant to this Act and in the peaceful application of the results thereof.

I think I will not take the time tonight to describe the growth of NASA to you. We do have in operation several large research centers, three of which are located in California. One of these is well known to this audience—the Jet Propulsion Laboratory operated by Cal Tech under contract to NASA. The Congress being willing, we will add to our research center roster in mid-March the Huntsville, Alabama, group under the direction of Dr. Wernher von Braun. By June 30, 1960, we will employ more than 15,000 people in the Government-operated centers alone. The Propulsion Laboratory complement of able people adds another 2,400 to that total. Our budget last year totaled $335 million, and this year the Congress appropriated $501 million for our use. We are in the middle of budgetary discussions for the 1961 fiscal year, and I can say only that our resources for the next fiscal year will be larger by a significant amount.

U.S. Space Activity Objectives

Now as to our program—and here I must compress a 2-hour discussion into a 5-minute summary—let me say that it includes research in most of the areas of the physical sciences and in certain of the areas of the life sciences. One of the principal objectives of current space activity is the study of the space environment by the undertaking of scientific experiments using sounding rockets, manmade earth satellites, manmade planets, and deep-space probes. In the United States we have used the term "space science" as a shorthand expression for experiments in physics, chemistry, bioscience, astronomy, astrophysics, and geophysics. All of these space-science experiments will employ instruments transported into the upper atmosphere and outer space.

The NASA objectives include the investigation of the uses of earth satellites to perform more efficiently and effectively some tasks which are now carried out by the other means and to perform other tasks which cannot be done at all with present means. The applications which seem most promising at present are those directed toward weather observation, analysis, and forecasting on a global scale; the improvement of long-distance radio communication; the study of the size and shape of the earth and of the distribution of land masses and water; and all-weather global navigation. It is believed that such applications brought to successful fruition will improve the well-being of mankind everywhere.

NASA program objectives, presumably like those of other countries, include, too, the orderly development of means for the manned exploration of space. En route to the long-range objective of manned exploration of the solar system are the

[2] Public Law 85-568.

temporary ballistic flights of man into space and return (already accomplished with animals); manned flight for one or a few circuits in the simplest vehicle in an orbit well below the level of the Great Radiation Belt; manned flight in advanced maneuverable vehicles, in larger satellites carrying several men, in permanent manned orbiting space laboratories; manned flight to the vicinity of the moon and return to earth; and manned landing on the moon and return.

NASA's present project in this field, Project Mercury, has been repeatedly described in the international public and technical press. Its successful completion requires the cooperation of several countries in permitting the installation and assisting in the operation of portable tracking radars, communication stations, and telemetry receiving stations at suitable points along the intended course. Negotiations currently under way promise that this cooperation will be forthcoming generously.

Even the first steps in the manned exploration of space are very expensive, as may be inferred from the presently estimated cost of Project Mercury of $250 million or more. The resources required for the advanced missions I have mentioned may well demand a worldwide collaboration. Thus this activity may serve to give a true measure of man's response to the challenge to discover and explore the new frontier of our day.

Rocket and Vehicle Development

In order that the programs just discussed can be carried out at an ever-increasing level of complexity and scientific significance, it has been obvious that launching vehicles and space propulsion systems must be provided. An early task of NASA, then, was the planning of a program of rocket and vehicle development in cooperation with the Department of Defense. Such a program must provide for the flying of all the desired missions with a minimum number of new rockets and new vehicles. As in other countries, our present launching vehicles are assembled from rockets developed in the ballistic missile program and available smaller rockets. For the increased thrust that we so much require for future missions, two new developments have been started in the United States. The first of these is being developed by Dr. von Braun and his people—the Saturn vehicle—a cluster of eight existing rocket engines to give a capability of about 1¼ million pounds of thrust. The second is a single-chamber rocket engine of 1½ million pounds' thrust under development by the Rocketdyne Division of North American Aviation. It is expected that this engine can be clustered to give 6 million pounds' thrust or more.

In addition to these first-stage booster rockets, several upper-stage rockets are under development, including some using high-energy fuels. In addition nuclear rockets are under development by the AEC [Atomic Energy Commission] and NASA along with the general application of nuclear energy for auxiliary power in space vehicles.

Of particular interest to other countries may be the launching-vehicle system under development by NASA and known as the Scout. This is a four-stage, solid-propellant, satellite-launching vehicle that will carry 150 to 200 pounds into an orbit 300 miles above the earth's surface. It will be more economical than existing vehicles; hopefully it will cost no more than $600,000 per firing. We expect to use this vehicle, if its development is a success, in early international cooperative programs.

Now there is no point in launching a satellite or an experiment toward the moon or the planets if we have no means of tracking the space experiment and acquiring from it the information collected by the various sensors carried aloft. Thus we have had to build a network of tracking and data acquisition stations that today covers most of the globe. Fortunately we inherited some stations from the activities carried on under the International Geophysical Year program and thus were able to launch a good many useful experiments during the past year without waiting for the construction of the stations necessary to complete the network.

The Russian Program

Now, what of the Russian program? I suspect that most of you know more about it than you do of our own. From information given us by a variety of sources—some of them Russian—it appears that they have assigned their top scientists and engineers to this new field. They possess rockets that are estimated to be twice as powerful as our largest—the Atlas intercontinental ballistic missile. They have launched three successful satellites and three deep-space probes. One of

hese now orbits the sun, another landed on the noon, and the third photographed the far side of he moon as it went into an orbit that initially inked the moon and the earth. Nothing has been aid by the Russians about their failures, whereas ur failures, as well as our successes, are promiently displayed for all the world to see. But it loes seem that their space-vehicle system is highly eliable, suggesting that they have fired it much nore frequently than any of the variety of sysems we have been forced to use thus far.

As to scientific results to date, it is the opinion f knowledgeable scientists that we have done as vell or better than the Russians. They have been ble to couple spectacular technological accomlishments with useful scientific experiments, vhereas our more modest technological efforts—ecause of our lack of reliable launching vehicles f high thrust—have turned up really significant mounts of new and important scientific informaion.

More important to the Soviet Union than their cientific achievements, however, has been the fact hat they have been successful in making their pectacular space accomplishments appear to many ations as a valid measure of their sophistication n all branches of science and technology. More ecently they have been active and successful in reating the impression that their achievements n space research and exploration are a valid measre of the strength of their Communist system as ompared to our democratic way of life. All in ll, the Soviet Union has made and is making hay vhile the sun shines on their satellites and lunar robes.

nternational Cooperation

Now let me turn to the matter of international ooperation as we see it today. You will recall y reading that section of the space act governing ur activities that encourages us to develop prorams of international cooperation. An Office of nternational Programs was established by NASA n November 1958. Exploratory talks were conucted with the scientists of other nations, and a attern for cooperation was established with the lessing of the scientific community. We are now uite completely occupied with discussions with a ozen groups from as many countries interested in ssociating themselves with the United States rogram.

It might be well for me to describe to you some of the activities which may form the basis for international cooperation and which arise from the global nature of research in space. The desirable types of activity, it seems to me, are exchanges of scientific and technical information and data, exchanges of scientists, coordinated programs of observation and experimentation, and cooperative programs of space exploration.

Exchange of information in its usual form consists of the exchange of publications and the holding of international scientific meetings. In the space activities initiated during the IGY it was found desirable to exchange information on the planning of experiments, to give prompt notice of launchings, early information on orbits, and such other data as would permit participation of others in observations of scientific value. It is the desire of the United States to progress toward the complete reestablishment of these procedures.

It has been remarked earlier that space science is not a new scientific discipline but comprises the use of new tools of experimentation by trained scientists in physics, geophysics, astronomy, and similar established fields. The exchange of scientists between countries permits a more rapid transfer of the new techniques than can be accomplished by publications or presentation of papers. NASA has established a few fellowships available to scientists of other countries and has provided research opportunities to a few guest scientists. Exchange of scientists in addition to providing training in new techniques may also be used for substantive participation of senior scientists in cooperative programs.

It is obviously desirable that national programs in the space field be coordinated to avoid undesired duplication and to provide the enhanced increase in knowledge that comes from coordinated efforts. This coordination was well done under CSAGI [Comité spécial de l'année géophysique internationale], the nongovernmental international committee for the IGY,[2] and we look forward to the early establishment on a more permanent basis of the Committee on Space Research to continue coordination of basic scientific research in the space field. There is need for coordination in program planning and in the execution of cer-

[2] For an article on "The International Geophysical Year in Retrospect" by Wallace W. Atwood, Jr., see BULLETIN of May 11, 1959, p. 682.

tain programs. Activities in the tracking of satellites and in the reception of telemetered data, in research on the upper atmosphere and ionosphere by means of sounding rockets launched simultaneously in various parts of the world, in investigation of the ionosphere by observation of radio signals from satellites, and in laboratory and theoretical research in areas supporting space activities are examples of program areas in which international coordination would be most productive.

Joint Exploration of Space

The ultimate step in international cooperation is joint participation in a single program, with participation of scientists of two or more countries in the design of experiments and in the preparation of payloads for rockets, satellites, and space probes. As I have said, discussions are under way between NASA scientists and their colleagues from other countries with the view of beginning activities of this type.

As a matter of fact, the international character of cooperative space activities in which we are engaged is already broad. Our radio and optical tracking network is composed of stations located in, and often operated by scientists and technicians of, Argentina, Australia, Chile, Ecuador, India, Iran, Peru, Spain, and South Africa. Other cooperating stations are situated in England, West Germany, and Japan. The new Project Mercury tracking stations will expand this list to include additional countries to the south and in Africa, along the planned orbit of the manned capsule.

Beyond this, tentative arrangements for substantial programs of joint exploration of our spatial environment have already been made with the United Kingdom and Canada. Additional cooperative programs have been proposed by a number of Pacific and European national space committees. These are substantive proposals, in which each nation will make its own scientific and technical contribution in a truly joint effort toward mutually agreed objectives. The preparation and execution of these programs will not be accomplished in a few weeks or even months, but the achievement of their objectives, with the attendant scientific interchange, will enrich all.

As an evidence of our interest in international cooperation, we would be most happy to offer the services of our tracking network in support of the scientists of the Soviet Union when and if that nation undertakes a manned space-flight program. Data could be acquired and transmitted in its raw state to the Academy of Sciences in Moscow. A precedent for this sort of thing has been established in the IGY operation when the United States supplied to the Soviet scientists, as of July 1959, some 46 tape recordings of Sputnik I, II, and III. Should special recording or data read-out equipment be required, I am sure that we would be happy to provide them or to utilize equipment furnished by the Soviet scientists. In such a cooperative venture we could help them to keep in continuous or essentially continuous contact with their astronaut.

Efforts Toward Common Understanding

Ladies and gentlemen, it has been my lot to be associated with exciting new ventures throughout most of my life. As I look back over the years, it seems that I have been happiest and have worked most diligently when the activity in which I was engaged had a vital role to play in the affairs of men. Thus my association with the Atomic Energy Commission was important to me because I was convinced, early in that association, that our nuclear weapons strength was the one most powerful deterrent to the initiation of a shooting war by another great power. Now I find myself in this exciting, difficult, and important field of space research. To me, one of its greatest appeals is the opportunity it offers for the development of a sound program of international cooperation in the science and technology necessary to the exploration of outer space.

After all, science is truly an international language. And space is an all-pervasive arena with plenty of challenge for anyone who possesses the curiosity and energy to attempt the solution of its mysteries.

To explore space to gain knowledge of the physical universe in which man lives; to explore space as a demonstration of his mastery of advanced technology; to open space to his own travel to satisfy his desire to see and experience for himself; to explore applications of space technology to improve worldwide communications and weather forecasting—all of these aims reflect as in a mirror the desires of men everywhere.

Out of the efforts of the dedicated and inspired men of all nations may yet come that common

understanding and mutual trust that will break the lockstep of suspicion and distrust that divides the world into separate camps today. Whatever the outcome, we cannot fail to make the effort.

U.S. Welcomes Bankers' Study Trip to India and Pakistan

STATEMENT BY ACTING SECRETARY DILLON

Press release 867 dated December 19

I was delighted to hear the announcement today [December 19] by Mr. Eugene R. Black, President of the World Bank, that Mr. Hermann J. Abs of Germany, Sir Oliver Franks of the United Kingdom, and Mr. Joseph M. Dodge of the United States had accepted his suggestion that they join in paying a visit to India and Pakistan early next year to become acquainted with the economic conditions and programs there. The United States Government greatly welcomes this initiative. The idea of employing visits such as this to achieve broader understanding in the West of the economic position and problems of India and Pakistan was contained in a resolution approved by the United States Senate on September 10, last, which was sponsored by Senators John F. Kennedy and John Sherman Cooper.[1] Similar resolutions were sponsored in the House of Representatives by Chester Bowles, James G. Fulton, and Chester E. Merrow. I am sure that the viewpoints Mr. Dodge will hear and the insight he will derive from his trip will make an important contribution to discussions in this country regarding the problems of India and Pakistan.

JOINT STATEMENT BY SENATORS KENNEDY AND COOPER[2]

We are delighted by the initiative taken by the World Bank to carry through the concept of the Senate Resolution, which calls for a study by powerful western countries of the economic problems and needs of India and Pakistan.

Higher living standards and economic growth of under-developed countries are in the best interest of the United States, but are also necessary for the growth of democratic values in the World.

This assistance cannot be provided wholly by the United States, and should be a joint venture by all industrialized free countries.

We hope this Mission may provide a pattern for other countries seeking economic growth.

WORLD BANK ANNOUNCEMENT

Eugene R. Black, President of the World Bank, announced on December 19 that he had suggested to Sir Oliver Franks, chairman of Lloyds Bank Ltd. of London, England, Dr. Hermann Abs, chairman of the Deutsche Bank of Frankfurt, Germany, and Joseph M. Dodge, chairman of the Detroit Bank and Trust Co. of Detroit, Mich., that they visit India and Pakistan to study economic conditions there and to acquaint themselves with the current and planned development programs in the two countries. Mr. Black said that he was convinced of the need for wider understanding in the industrially developed countries of the problems confronting the less developed areas of the world and expressed the belief that visits such as this by prominent members of the business and financial communities of the industrial countries could make an important contribution to that end. Sir Oliver Franks, Dr. Abs, and Mr. Dodge have accepted Mr. Black's suggestion and are planning to make the trip during next February and March.

Mr. Black's suggestion was made after consultation with the Governments of India and Pakistan, who have welcomed the idea and will give the members of the group every opportunity to learn about the major issues involved in the economic development of their countries. The Governments of the United States, the United Kingdom, and Germany have also been kept fully informed.

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[1] Senators Kennedy and Cooper coauthored S. Con. Res. 11, To Invite Friendly and Democratic Nations To Consult With Countries of South Asia.

[2] Released simultaneously with World Bank announcement of Dec. 19.

U.N. Sets Up New Committee on Peaceful Uses of Outer Space; Decides To Convene International Scientific Conference

Following is a statement made in Committee I (Political and Security) on December 10 by Henry Cabot Lodge, U.S. Representative to the General Assembly, together with the text of a resolution adopted in plenary session on December 12.

STATEMENT BY AMBASSADOR LODGE

U.S. delegation press release 3345

Two years ago the first manmade earth satellite was placed in orbit. A succession of satellites has followed. These have advanced man's scientific knowledge and demonstrated new techniques for communications and meteorology. Some space probes have escaped beyond orbits around the earth. Notably, the Soviet Union has reached the moon, and some probes have coursed far beyond. Animals have penetrated outer space as passengers aboard space vehicles and returned safely; man will doubtless follow soon.

The events of the past 2 years are starting to make clear the promise and the problems confronting man as he ventures into outer space. These beginnings challenge man's political and technological inventiveness. It is a prime task of governments and of the United Nations to see to it that political progress keeps pace with scientific change. Unless this is done the world runs the serious risk of relying on political institutions and arrangements that are outmoded and inadequate.

The Rationale of International Cooperation

In surveying what has happened so far in man's activities relating to outer space and in planning for the future we ought to inquire very candidly into the reasons for international cooperation in outer space and into the purposes which the United Nations can serve in this connection. I believe there are several important reasons and purposes for cooperation through the United Nations.

First, outer space is not the concern of one nation or of only a few. It is of interest to all. Fairness demands that there be an equitable sharing of benefits that may be derived from all operations in this new realm and of the burdens in carrying them on as well. Outer space cannot be anyone's private preserve. The idea of partnership in outer space has secured acceptance by member states of the United Nations, without regard to their differing social and political philosophies. United Nations discussion during the last 2 years has emphasized the principle of openness and availability of outer space. International cooperation through the United Nations is surely an appropriate means for putting this principle into practice.

Secondly, cooperation among countries will inevitably be necessary for accomplishing many desirable projects in outer space. For example, if such projects require worldwide tracking or telemetering equipment or launching sites in certain geographical locations, or if their cost is too high for any one nation to bear, they will be literally impossible without international cooperation. For still other space activities, such as radio and television satellites, even though international cooperation may not be absolutely necessary, it will be required for maximum efficiency and usefulness. In general, joint enterprises in outer space will prove more effective than the efforts of any single nation, since each nation can contribute what it has in abundance or does best at any given time. Already other countries have their contributions to make and will develop greater capabilities in the future. If the knowledge of the more advanced nations is diffused, the abilities of all nations can

e developed more quickly and brought into play. 'hrough organized international cooperation the ontributions and capabilities of each country can e made most effective.

There is a very practical reason for interna-onal cooperation in outer space. Without it, the anifold activities being progressively undertaken ould begin to conflict and to frustrate each other. or example, the radio spectrum for space com-unications could become overcrowded and hope-ssly confused.

There is still another reason to which we should ay the most serious attention. The cloud of an finitely devastating nuclear war hangs over all tions. Men have learned how to accomplish orldwide destruction. Will they be able to for-ar from aggressive use of force, bringing all-out uclear war in its train? The United Nations d its machinery were expressly designed to pre-nt such a catastrophe. Governments continue seek means for bringing unlimited competition armaments under control and for instituting 'ective measures of disarmament. Working to-ther on the challenges of outer space can provide vernments with experience in regulating space tivities that may prove valuable in the area of sarmament as well.

In sum, international cooperation in the explo-tion of outer space offers an avenue along which tions may approach mutual understanding and ace. Working *together* on the great challenges explorations beyond the confines of earth can ate a new perspective in which national bound-es and national rivalries recede in importance. mmon efforts in the conquest of space can forge community of interest. Where community of erest is strong enough, there is unity of spirit l harmony in action. A new opportunity now sents itself for the operation of these forces. should give it generous scope.

ort of the Ad Hoc Committee

The General Assembly now has before it the ort of the *Ad Hoc* Committee on the Peaceful s of Outer Space,[1] which was established at the 13th session.[2] That Committee, under the able chairmanship of Ambassador [Koto] Matsudaira, has done valuable work. The United States fully endorses the Committee's careful and constructive report contained in document A/4141. I should like now to outline some suggestions as to the next steps to be taken by the United Nations in following up the Committee's work.

The *Ad Hoc* Committee, in the conclusions to that part of its report written in response to paragraph 1(b) of Resolution 1348 (XIII), proposed the establishment of a General Assembly committee, composed of representatives of member states, to perform three kinds of functions. These are the following: (1) study of practical and feasible measures for facilitating international cooperation, including those indicated by the *Ad Hoc* Committee in its report under paragraph 1(b) of last year's resolution; (2) consideration of means, as appropriate, for studying and resolving legal problems which may arise in carrying out programs for the exploration of outer space; (3) review, as appropriate, of the subject matter entrusted by the Assembly to the *Ad Hoc* Committee in Resolution 1348 (XIII).

Steps To Be Taken by U.N.: The Draft Resolution

Now, Mr. Chairman, today, along with a group of other cooperating states, we have submitted a draft resolution,[3] which will soon be on the table, designed to set up a committee. The members of that committee would be: Albania, Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Czechoslovakia, France, Hungary, India, Iran, Italy, Japan, Lebanon, Mexico, Poland, Rumania, Sweden, U.S.S.R., U.A.R., U.K., and U.S. The purpose of this committee would be as follows:

(a) to review, as appropriate, the area of international cooperation and study practical and feasible means for giving effect to programs in the peaceful uses of outer space which could appropriately be undertaken under United Nations auspices; and

(b) to study the nature of legal problems which may arise from exploration of outer space.

As indicated by the *Ad Hoc* Committee in the

[1] J.N. doc. A/4141; for a statement by Mr. Lodge on the ft report of the *Ad Hoc* Committee, see BULLETIN of 27, 1959, p. 138; for statements by U.S. representa-s to the *Ad Hoc* Committee, see *ibid.*, June 15, 1959, 83, and June 29, 1959, p. 972.

[2] For background and text of resolution, see *ibid.*, Jan. 5, 1959, p. 24.

[3] U.N. doc. A/C.1/L.247.

concluding paragraph of its report, we think it is clearly appropriate for the specialized agencies of the United Nations to continue to pursue lines of endeavor within their competence in regard to outer-space activities. We think those agencies will naturally wish to include in their reports to the United Nations information on their activities in connection with outer space. It may be that the General Assembly, from time to time, will wish to address requests or recommendations to one or more of these agencies for specific undertakings in the outer-space field.

I should like now to comment briefly on the composition of the proposed United Nations Committee on the Peaceful Uses of Outer Space. Last year, despite earnest efforts, we were not able to reach unanimous agreement in the General Assembly on the membership of the *Ad Hoc* Committee. Subsequently, some members of that Committee declined to participate in its deliberations. That was regrettable.

We have sought this year to find a composition which would command agreement on all sides. Through many weeks of patient negotiations the United States has sought this objective. Agreement with the Soviet Union has at length been reached. I hope that the fruits of this agreement will justify the work and the concessions involved in reaching it. The United States delegation trusts that the agreement is a favorable augury for international cooperation through the United Nations.

Promoting International Scientific Cooperation

What substantive activities should the new Committee first consider? Without wishing to attempt a definitive listing of activities, the United States would like to outline its views on steps in two broad areas which were mentioned by the *Ad Hoc* Committee and in which early concentration of effort should prove constructive. The first of these areas is that of international scientific and technical cooperation. The second is that of appropriate regulation of man's activities in outer space.

An International Conference of Scientists

With respect to facilitating international scientific cooperation, no more appropriate initial step could be taken than to review and exchange experience with respect to the outer-space activities conducted to date. The Soviet Union's proposal that an international conference to this end be held under the auspices of the United Nations offers a promising starting point. The United States has welcomed this proposal[4] as a sign of the Soviet Union's willingness to share with the rest of the world the data resulting from its achievement in outer space.

An international conference would be in keeping with the emphasis placed by the *Ad Hoc* Committee on the desirability of openness in the conduct of outer-space activities. The conference would serve as a valuable meeting ground for scientists actively engaged in outer-space activities and others actively interested in the results of these activities. It would usefully supplement exchanges already initiated by the international scientific community, in particular the activities of the Committee on Space Research of the International Council of Scientific Unions, which has for some time been planning a space-science symposium to be held in January 1960.

To be meaningful, of course, such a space conference must go beyond mere repetition of the limited exchanges already had or scheduled within the scientific community. Thus the United States believes that the scope of the proposed conference should include not only space sciences, so well covered by exchanges in scientific forums, but also engineering and technological aspects, propulsion, vehicles, guidance problems, and many other subjects of interest to nations which have not yet begun their own space programs.

The new Committee, then, should, the United States thinks, give early attention to arrangements for convening an international conference of members of the United Nations and of the specialized agencies.

Members of this committee will note that the draft resolution submitted by the cosponsoring delegations does not contain any provision specifying who will participate in the scientific conference. That matter of participation is covered in an amendment[5] which will be submitted by the delegation of Belgium. That amendment would insert, at the appropriate place, the words: "o

[4] For a statement by Mr. Lodge, see BULLETIN of Nov. 2 1959, p. 651.

[5] U.N. doc. A/C.1/L.248. The amendment was approved in Committee I on Dec. 12.

interested Members of the United Nations and of the specialized agencies." The amended paragraph would read as follows:

> Decides to convene in 1960 or 1961, under the auspices of the United Nations, an international scientific conference of interested Members of the United Nations and of the specialized agencies for the exchange of experience in the peaceful uses of outer space.

The United States supports this amendment, and we trust this Committee will incorporate it in the resolution by a decisive majority, in accordance with the United Nations precedents on the calling of international conferences. This is the language which is, one might say, standard practice.

There are other possibilities for international scientific cooperation which can profitably be explored by the new United Nations Committee.

World Data Centers

The establishment and operation of world data centers during the International Geophysical Year gave organization and unity to the scientific world in its quest for knowledge about the universe. This development constituted an important political phenomenon. The world data centers have continued to process and disseminate information obtained from space activities since the conclusion of the International Geophysical Year. The *Ad Hoc* Committee's report calls attention to the need for extending the number and scope of such centers. We think the new Committee could usefully study this question, consulting with the appropriate mechanisms of the scientific community, and provide recommendations on support of an expanded system for collection and distribution of data. It is to be hoped that participating countries will agree to the prompt and automatic transmission to the world data centers of all scientific information obtained by spacecraft and related data necessary for scientific understanding.

Launchings Under International Auspices

The *Ad Hoc* Committee pointed out that instrumentation of a scientific payload as a cooperative endeavor would provide a means of bringing more deeply into space research and engineering those scientists who would not otherwise have the opportunity of performing experiments in space. Several projects of this type are already under way among the world's scientists, and we believe that it would be fruitful for the new Committee to give thought to the potentialities of this promising and growing form of cooperation. The United States, for its part, is always prepared to discuss the possibility of making available equipment and facilities for launchings of this character.

Weather and Communications Satellites

The United States would like to see international cooperation in space activities carried beyond the activities of pure research to facilitate the conduct of international programs calling for joint effort in areas of practical application of space science. The value of improved weather forecasting and of the creation of additional and more effective channels for worldwide communication is evident. Another beneficial field of application is navigational satellites. We should like to see a careful international study made of the best plans for adapting these various possibilities of the new sciences to practical application for the benefit of all peoples.

Study of Appropriate International Regulation

The international community should also at this time, we believe, give attention to the consideration of appropriate steps to regulate man's activities in outer space. I do not mean by this to suggest that now is the time to attempt any general codification of space law. As stated in the *Ad Hoc* Committee's report, a comprehensive code is neither practicable nor necessary in the present stage of knowledge and development of space activities.

The *Ad Hoc* Committee stated, in paragraph 9 of its report under part 1(d) of the 1958 resolution, that the law has begun to recognize or develop a rule that outer space is, on conditions of equality, freely available for exploration and use by all in accordance with existing or future international law or agreements. The United States supports this view. A concept of freedom of space, however, does not mean that we can overlook the many practical problems arising from the operation of space vehicles which were pointed out by both the scientific and legal experts of the *Ad Hoc* Committee. Therefore it seems clear that the new Committee should turn its attention to possible practical measures for dealing with practical problems.

Identification of Orbital Objects

We believe that the new United Nations Committee should study means for providing an appropriate system of identification for all objects placed in orbit around the earth. The new Committee could also usefully consider means that might be adopted either for the removal of spent satellites from orbit or at least the termination of their radio transmissions when their usefulness is ended.

Celestial Bodies

Only this autumn an unmanned space probe to the moon was made. It is not too early to start thinking now about the regime which ought to be applied to international relations with respect to celestial bodies. In this regard the United States believes that man's entry into outer space is a concerted undertaking of earth as a whole and that scientific progress should proceed in harmony among the nations.

Other Topics

Our mentioning these selected topics is not to suggest that other legal problems identified in the *Ad Hoc* Committee's report should be neglected. Quite the contrary. In some cases, as with the allocation of radio frequencies, it is our hope and expectation that the work of an existing agency—in this case the International Telecommunication Union—will proceed to a satisfactory conclusion. In other cases, as with the problem of liability for injury or damage caused by space vehicles or the problem of reentry and landing of space vehicles, the new United Nations Committee may wish to give early attention to specific procedures or means for starting to cope with these matters.

Relationship to Disarmament

The United States, along with other countries, has long recognized the potential use of outer space for hostile purposes. Nearly 3 years ago we proposed [6] a study of means to assure the use of outer space for peaceful purposes only. I wish to repeat that the United States remains ready to study the outer-space sector separately and does not insist that it be treated as part of a more inclusive program for disarmament.

We recognize the vital importance of progress in disarmament negotiations. It is for that reason that we have undertaken, along with a group of other countries, to enter into renewed discussions in the near future.[7] Hopeful as we are of reaching significant agreements on disarmament, which can lead in the end to a safer and happier world, we realize from experience that the making and carrying out of effectual agreements to disarm are painstaking and time-consuming. We do not wish to see international cooperation on the peaceful uses of outer space delayed because of this fact.

Conclusion

Mr. Chairman, let me conclude by saying that the nations of the world look into the future, and, as they look into the reaches of space, they confront an unprecedented opportunity. The fate of human activities in space and indeed the fate of the peoples of the earth lie in the hands of the community of nations. The occasion is new. The challenge is unprecedented. Let us rise to the occasion.[8]

TEXT OF RESOLUTION [9]

A

The General Assembly,

Recognizing the common interest of mankind as a whole in furthering the peaceful use of outer space,

Believing that the exploration and use of outer space should be only for the betterment of mankind and to the benefit of States irrespective of the stage of their economic or scientific development,

Desiring to avoid the extension of present national rivalries into this new field,

Recognizing the great importance of international co-operation in the exploration and exploitation of outer space for peaceful purposes,

Noting the continuing programmes of scientific co-operation in the exploration of outer space being undertaken by the international scientific community,

Believing also that the United Nations should promote international co-operation in the peaceful uses of outer space,

1. *Establishes* a Committee on the Peaceful Uses of Outer Space, consisting of Albania, Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Czechoslovakia, France, Hungary, India, Iran, Italy, Japan, Lebanon, Mexico, Poland, Romania, Sweden, the Union of

[6] *Ibid.*, Feb. 11, 1957, p. 225.

[7] See p. 45.

[8] For an address on "Opportunities for International Cooperation in Space Exploration" by T. Keith Glennan, see p. 58.

[9] U.N. doc. A/RES/1472(XIV) (A/C.1/L.247, as amended); adopted unanimously in plenary session on Dec. 12.

Soviet Socialist Republics, the United Arab Republic, the United Kingdom of Great Britain and Northern Ireland and the United States of America, whose members will serve for the years 1960 and 1961, and requests the Committee:

(a) To review, as appropriate, the area of international co-operation, and to study practical and feasible means for giving effect to programmes in the peaceful uses of outer space which could appropriately be undertaken under United Nations auspices, including, *inter alia:*

(i) Assistance for continuation on a permanent basis of the research on outer space carried on within the framework of the International Geophysical Year;

(ii) Organization of the mutual exchange and dissemination of information on outer space research;

(iii) Encouragement of national research programmes for the study of outer space, and the rendering of all possible assistance and help towards their realization;

(b) To study the nature of legal problems which may arise from the exploration of outer space;

2. *Requests* the Committee to submit reports on its activities to the subsequent sessions of the General Assembly.

B

The General Assembly,

Noting with satisfaction the successes of great significance to mankind that have been attained in the exploration of outer space in the form of the recent launching of artificial earth satellites and space rockets,

Attaching great importance to a broad development of international co-operation in peaceful uses of outer space in the interests of the development of science and the improvement of the well-being of peoples,

1. *Decides* to convene in 1960 or 1961, under the auspices of the United Nations, an international scientific conference of interested Members of the United Nations and of the specialized agencies for the exchange of experience in the peaceful uses of outer space;

2. *Requests* the Committee on the Peaceful Uses of Outer Space, established in resolution A above, in consultation with the Secretary-General and in co-operation with the appropriate specialized agencies, to work out proposals with regard to the convening of such a conference:

3. *Requests* the Secretary-General, in accordance with the conclusions of the Committee, to make the necessary organizational arrangements for holding the conference.

Current U.N. Documents: A Selected Bibliography

General Assembly

Economic Development of Under-developed Countries. Report by the Secretary-General on measures taken by the governments of member states to further the economic development of underdeveloped countries in accordance with General Assembly resolution 1316 (XIII). Additional replies from governments—Dominican Republic. A/4220/Add. 4. December 2, 1959. 3 pp.

Question of the Frontier Between the Trust Territory of Somaliland Under Italian Administration and Ethiopia. Note by the Secretary-General. A/4325. December 3, 1959. 16 pp.

Economic Development of Under-developed Countries: Report of the Economic and Social Council (Chapters II, III, IV and V). Report of the Second Committee. A/4321. December 4, 1959. 65 pp.

Budget Estimates for the Financial Year 1960. Report of the Fifth Committee. A/4336. December 4, 1959. 63 pp.

The Korean Question: Report of the United Nations Commission for the Unification and Rehabilitation of Korea. Note verbale dated December 5, 1959, from the Soviet delegation addressed to the Secretary-General. A/4338. December 5, 1959. 7 pp.

DEPARTMENT AND FOREIGN SERVICE

Change in Consular District for Islands of Zanzibar Protectorate

Department notice dated December 17

The consular district of Nairobi, Kenya, has been changed to reflect the withdrawal of the island portions of the Zanzibar Protectorate (Zanzibar and Pemba Islands and adjacent islets) from the jurisdiction of the consulate general at Nairobi and their inclusion in the consular district of Dar-es-Salaam, Tanganyika, effective November 1, 1959.

Recess Appointments

The President on December 24 appointed John J. Muccio to be Ambassador to Guatemala, vice Lester D. Mallory, resigned. (For biographic details, see Department of State press release 875 dated December 24.)

Designations

Lester D. Mallory as Deputy Assistant Secretary for Inter-American Affairs, effective December 21. (For an exchange of letters between President Eisenhower and Mr. Mallory on his resignation as Ambassador to Guatemala, see White House press release dated October 28.)

Appointments

The President on December 24 appointed Harry R. Turkel to be U.S. Representative on the Inter-American Economic and Social Council of the Organization of American States, with the personal rank of ambassador, vice Harold M. Randall. (For biographic details, see Department of State press release 874 dated December 24.)

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Atomic Energy—Cooperation for Civil Uses. TIAS 4314. 5 pp. 5¢.

Agreement between the United States of America and the Federal Republic of Germany, amending agreement of July 3, 1957. Signed at Washington July 22, 1959. Entered into force September 22, 1959.

Parcel Post. TIAS 4315. 23 pp. 15¢.

Agreement and regulations of execution between the United States of America and the United Arab Republic. Signed at Cairo December 30, 1958, and at Washington January 13, 1959. Entered into force October 1, 1959.

Mutual Defense Assistance. TIAS 4316. 2 pp. 5¢.

Agreement between the United States of America and Norway, amending annex C to the agreement of January 27, 1950. Exchange of notes—Dated at Oslo August 31 and September 9, 1959. Entered into force September 9, 1959.

Atomic Energy—Cooperation for Civil Uses. TIAS 4317. 3 pp. 5¢.

Agreement between the United States of America and Belgium, amending agreement of June 15, 1955, as amended. Signed at Washington July 22, 1959. Entered into force September 29, 1959.

United States Educational Foundation in India. TIAS 4318. 4 pp. 5¢.

Agreement between the United States of America and India, amending agreement of February 2, 1950, as amended. Exchange of notes—Dated at New Delhi January 30 and February 6, 1959. Entered into force February 6, 1959.

Passport Visas. TIAS 4319. 5 pp. 5¢.

Agreement between the United States of America and Nicaragua. Exchange of notes—Dated at Managua July 6, September 30, and October 22, 1955. Entered into force October 22, 1955.

Defense—Maintenance of Haines-Fairbanks Pipeline. TIAS 4320. 2 pp. 5¢.

Agreement between the United States of America and Canada, extending agreement of January 16 and 17, 1957. Exchange of notes—Dated at Ottawa August 17 and 20, 1959. Entered into force August 20, 1959. Operative retroactively July 1, 1958.

Conservation of Shrimp. TIAS 4321. 10 pp. 10¢.

Convention between the United States of America and Cuba. Signed at Habana August 15, 1958. Entered into force September 4, 1959.

Mutual Defense Assistance—Assurances. TIAS 4322. 2 pp. 5¢.

Agreement between the United States of America and India. Exchange of notes—Signed at New Delhi April 16, and December 17, 1958. Entered into force December 17, 1958.

Foreign Service Personnel—Free-Entry Privileges. TIAS 4323. 5 pp. 5¢.

Agreement between the United States of America and Venezuela. Exchange of notes—Dated at Caracas April 7 and 17, 1959. Entered into force April 17, 1959.

General Agreement on Tariffs and Trade. TIAS 4324. 10 pp. 10¢.

Seventh protocol of supplementary concessions to agreement of October 30, 1947. Done at Bonn February 19, 1957. Schedule for Austria entered into force September 1, 1958; schedule for the Federal Republic of Germany entered into force August 21, 1959.

Special Economic Assistance. TIAS 4325. 3 pp. 5¢.

Agreement between the United States of America and Burma. Exchange of notes—Signed at Rangoon June 24, 1959. Entered into force June 24, 1959.

Economic Cooperation. TIAS 4326. 2 pp. 5¢.

Agreement between the United States of America and Burma, amending agreement of March 21, 1957. Exchange of notes—Signed at Rangoon September 12, 1959. Entered into force September 12, 1959.

Commission for Exchange of Students and Professors. TIAS 4327. 11 pp. 10¢.

Agreement between the United States of America and the United Arab Republic. Signed at Cairo September 28, 1959. Entered into force September 28, 1959.

Surplus Property—Sale in Korea of Excess Military Property. TIAS 4328. 15 pp. 10¢.

Agreement between the United States of America and the Republic of Korea. Signed at Seoul October 1, 1959. With memorandum of interpretation and understanding.

Surplus Agricultural Commodities. TIAS 4329. 4 pp. 5¢.

Agreement between the United States of America and Peru, amending agreement of April 9, 1958, as amended. Exchange of notes—Signed at Lima September 11 and 25, 1959. Entered into force September 25, 1959.

Check List of Department of State Press Releases: December 21–27

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases issued prior to December 21 which appear in this issue of the BULLETIN are Nos. 856 and 858 of December 15, 862 of December 16, 864 of December 17, and 867 of December 19.

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Bulletin

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The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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The Search for Peace With Freedom

Remarks by President Eisenhower [1]

Fellow Americans, at home and overseas; friends of America; workers for a just peace, wherever you may be in the world, whatever your race or flag or tongue or creed:

Once again I have the privilege of lighting the Pageant of Peace tree on the eve of the Christmas season. This is the season when men and women of all faiths, pausing to listen, gain new heart from the message that filled the heavens over Bethlehem 2,000 years ago—Peace on earth, good will to men.

Every Christmas through the long march of centuries since then, the message has been echoed in the hopes and prayers of humanity.

This Christmas, for me at least, those words have clearer meaning, sharper significance, more urgent counsel.

Last night I came home from a trip that carried me to three continents, Africa and Asia and Europe.[2] I visited 11 countries, whose populations total a quarter of all mankind.

I wish that every American—certainly every American recognized by his fellows as a leader in any field—and every leader in the countries of the West could see and hear what I have seen and what I have heard. The mutual understanding thereby created could in itself do much to dissolve the issues that plague the world.

My trip was not undertaken as a feature of normal diplomatic procedures. It was not my purpose either to seek specific agreements or to urge new treaty relationships. My purpose was to improve the climate in which diplomacy might work more successfully—a diplomacy that seeks, as its basic objective, peace with justice for all men.

In the crowds that welcomed my party and me I saw at close hand the faces of millions. Many, indeed most, were poor, weary, worn by toil; but others were young, energetic, eager—the children, as always, bright and excited.

The clothes of a few were as modern as today's Paris and New York; of others, as ancient as the garb of Abraham, often soiled and tattered, although sometimes colorful and romantic to the American eye.

They were Buddhist and Muslim and Hindu and Christian.

But, seeing them massed along country roads and city streets from the eastern shore of the Atlantic to Karachi and Delhi, three things, it seemed to me, united them into one family:

The first, their friendship for America and Americans;

The second, their fervent hope—too long frustrated—for betterment of themselves and of their children;

And third, their deep-seated hunger for peace in freedom.

Key to Betterment of Peoples

Of this last, permit me to speak first. It must come first. The assurance of peace in freedom is the key to betterment of peoples everywhere, and in a just peace friendship between all peoples will flourish.

I assure you that all the people I saw and visited want peace. Nothing in human affairs can be more certain than that.

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[1] Made at the ceremonies opening the Christmas Pageant of Peace at Washington, D.C., on Dec. 23 (White House press release).

[2] For background, see BULLETIN of Dec. 28, 1959, p. 931, and Jan. 11, 1960, p. 46.

I talked with kings and presidents, prime ministers, and humble men and women in cottages and in mud huts. Their common denominator was their faith that America will help lead the way toward a just peace.

They believe that we look and work toward the day when the use of force to achieve political or commercial objectives will disappear, when each country can freely draw on the culture, wisdom, experience of other countries and adapt to its own needs and aspirations what it deems is best and most suitable.

They understand that we look and work toward the day when there can be open and peaceful partnership — communication — interchange of goods and ideas between all peoples, toward the day when each people will make its maximum contribution toward the progress and prosperity of the world.

Such is the world condition which we and all the peoples I visited hope—and pray—to see.

Our concept of the good life for humanity does not require an inevitable conflict between peoples and systems, in which one must triumph over the other. Nor does it offer merely a bare coexistence as a satisfactory state for mankind. After all, an uneasy coexistence could be as barren and sterile, joyless and stale a life for human beings as the coexistence of cellmates in a penitentiary or a labor camp.

Help and Strength for the Cause of Freedom

We believe that history, the record of human living, is a great and broad stream into which should pour the richness and diversity of many cultures, from which emerge ideas and practices, ideals and purposes, valid for all. We believe each people of the human family, even the least in number and the most primitive, can contribute something to a developing world embracing all peoples, enhancing the good of all peoples.

But we recognize—we must recognize—that in the often fierce and even vicious battle for survival—against weather and disease and poverty—some peoples need help. Denied it, they could well become so desperate as to create a world catastrophe.

Now, in the ultimate sense, a nation must achieve for itself, by its heart and by its will, the standard of living and the strength needed to progress toward peace with justice and freedom. But, where necessary resources and technological skills are lacking, people must be assisted, or all the world will suffer.

In the past America has been generous. Our generosity has been greeted with gratitude and friendship. On my trip many millions cried and shouted their testimony to that fact.

No country I visited is short on the greatest of all resources—people of good heart and stout will. And this is especially true of the young. Almost every country is, however, short on the technical knowledge, the skills, the machines, the techniques—and the money—needed to enable their people fully to exploit the natural resources of their lands.

Of course, money alone cannot bring about this progress. Yet America's own best interests—our own hopes for peace—require that we continue our financial investment and aid and persuade all other free nations to join us, to the limit of their ability, in a long-term program, dependable in its terms and in its duration.

But more importantly—in the spirit of the Christmas season, that there may be peace on earth and good will among men, we must as individuals, as corporations, labor unions, professional societies, as communities, multiply our interest, our concern in these peoples. They are now our warm friends. They will be our stout and strong partners for peace and friendship in freedom—if they are given the right sort of help in the right sort of spirit.

The American Government and our allies provide the defensive strength against aggression that permits men of good will to work together for peace. Such strength is an absolute requirement until controlled and safeguarded disarmament allows its reduction, step by step.

Protected by our defensive strength against violent disruption of our peaceful efforts, we are trying to produce a workable, practical program that will make each succeeding Christmas a little closer in spirit and reality to the message of the first Christmas long ago.

This is not a matter of charity for the poverty-stricken nor of easing our own consciences through doles for the distressed. The help we give to our friends is help and strength for the cause of free-

dom—American freedom, as well as freedom throughout the world.

In giving it, we must be hardheaded but understanding, enlightened in our own interest but sympathetic and generous in the interest of our friends.

Together we should consider all the ways and the forms such help might take. I fervently hope that in this Christmas season each of you who is listening will give thought to what you can do for another human, identical with you in his divine origin and destiny, however distant in miles or poor in worldly estate.

With that hope, with that prayer, I wish you all happiness and peace in this season as I light the Nation's Christmas tree for the Pageant of Peace.

Merry Christmas!

Four Powers Agree on May 16 as Date for Summit Meeting

On December 21 France, the United Kingdom, and the United States proposed to the Soviet Union that an East-West summit meeting begin at Paris on April 27.[1] *Following is a subsequent exchange of messages between President Eisenhower and Nikita S. Khrushchev, Chairman of the Council of Ministers of the Union of Soviet Socialist Republics.*

MESSAGE OF PRESIDENT EISENHOWER TO MR. KHRUSHCHEV

White House (Augusta, Ga.) press release dated December 29

DECEMBER 29, 1959

DEAR MR. CHAIRMAN: I note with satisfaction that you have agreed to participate in a Summit meeting of the Four Powers in Paris which Prime Minister Macmillan, President de Gaulle and myself proposed to you. I can well understand the difficulty of arriving at a date commonly acceptable to the four of us.

I have been in touch with Prime Minister Macmillan and President de Gaulle in regard to the alternative dates which you suggest. Unfortunately, due to other engagements, both President de Gaulle and I would not find it possible to meet on April 21. I further understand that Prime Minister Macmillan has prior commitments which run from May 3 until mid-May.

Provided that this is acceptable to you, the best arrangement would seem to be for the meeting of the Four Powers to open in Paris on May 16.

I trust, Mr. Chairman, that this will not present any difficulties to you and that we may agree to meet in Paris on that date.

Sincerely,

DWIGHT D. EISENHOWER

MESSAGES OF PREMIER KHRUSHCHEV TO PRESIDENT EISENHOWER

Letter of December 25

Unofficial translation

DEAR MR. PRESIDENT: I have received your letter in which you confirm your readiness to take part in a summit meeting of the Four Powers and communicate the understanding reached on this question between you, Prime Minister Macmillan and President de Gaulle. First of all I wish to express my deep satisfaction that you, Prime Minister Macmillan and President de Gaulle consider it desirable for the discussion of the main international problems from time to time to arrange a meeting at the highest level of the countries taking part in such a meeting.

The Soviet Government can only welcome such a declaration. We have always considered that it is exactly through the personal meetings of statesmen on the highest level that urgent international problems can be resolved in the most effective manner.

The Soviet Government expresses its readiness for conducting the summit meeting in Paris.

Unfortunately the date named for this meeting of April 27, 1960, is not convenient for the Soviet Government. In connection with this, we would like to suggest as a possible date for this meeting the 21st of April or the 4th of May 1960.

The Soviet Government hopes that one of these dates will be acceptable for the Government of the United States of America as well as for the Governments of Great Britain and France and that its proposal will not make any difficulty in the choice of a definitive date for the meeting of the Heads of Government.

I hope, Mr. President, that these considerations will be acceptable to you.

With warm regards.

N. KHRUSHCHEV.

THE KREMLIN, *Moscow, December 25, 1959.*

[1] For text of a letter from President Eisenhower to Soviet Premier Khrushchev, see BULLETIN of Jan. 11, 1960, p. 44.

Letter of December 30

Unofficial translation

DEAR MR. PRESIDENT: I received your letter of December 29 in which you express yourself in favor of a summit meeting of the Four Powers in Paris beginning May 16, 1960.

The Soviet Government considers this date acceptable.

It is now possible to note with satisfaction that as a result of the joint consultations among the Governments of the Four Powers final agreement has been reached on the date and place for convening a summit conference.

N. KHRUSHCHEV

THE KREMLIN, *Moscow, December 30, 1959.*

The Outlook for 1960 in Foreign Affairs

Statement by Secretary Herter

Press release 887 dated December 31

1960 will be an eventful year in the field of foreign affairs. President Eisenhower is considering making more trips to other countries provided his schedule permits.[1] He plans to return the visit of Mr. Khrushchev to this country by traveling to the Soviet Union, probably in June.

We expect to be hosts to a number of distinguished statesmen during the course of the year; in fact, in the first few months Prime Minister Kishi of Japan, President Lleras of Colombia, President de Gaulle of France, and the King of Nepal, among others, will visit us.

Now scheduled for some time in May, there will be an East-West summit meeting.

Throughout the year we shall face great challenges. We and our allies will explore with the Soviet Union possibilities for reaching political settlements. We will engage in redoubled efforts to make progress on arms control. We will keep up our programs to assist developing nations to progress in freedom.

In the midst of all this activity it is important for us all, as Americans, to bear two things in mind:

First, despite a new atmosphere of hopefulness for the solution of world problems, there has, in fact, been no real change in Communist intentions. So far, deeds have not followed upon peaceful words. Thus, though willing and even ready to negotiate, we must not let down our guard. More than ever, in a period of some hope it is essential to maintain our defenses. Also, if we are to arrive at solutions to world problems we must realize that these do not come easily—they may well take generations to accomplish.

Secondly, we must go forward from the experience of the President's recent trip which has headlined through the world the concern of the United States for peace and friendship in freedom. This principle is now recognized by hundreds of millions of people. Our task in 1960 and the years ahead is to help convert this principle from an expression of anxious hope into a statement of actual fact.

In all our foreign relations we will try to carry out America's role of responsibility to the free world. We will try to demonstrate America's dedication to the cause of individual dignity and freedom.

[1] For texts of addresses, statements, and joint communiques from President Eisenhower's 11-nation trip, Dec. 3–22, 1959, see BULLETIN of Dec. 28, 1959, p. 931, and Jan. 11, 1960, p. 46.

U.S. States Position on Atom Ban, Refutes Soviet Statement

STATEMENT BY PRESIDENT EISENHOWER

White House (Augusta, Ga.), press release dated December 29

The negotiations with respect to the cessation of nuclear testing have now been in progress for 14 months. While now recessed, they will soon be resumed. No satisfactory agreement is yet in sight. The prospects for such an agreement have been injured by the recent unwillingness on the part of the politically guided Soviet experts to give serious scientific consideration to the effectiveness of seismic techniques for the detection of underground nuclear explosions. Indeed the atmosphere of the talks has been clouded by the intemperate and technically unsupportable Soviet annex to the report of the technical experts. The distinguished American group of scientists who composed the United States delegation will make public from the verbatim records of the conference the facts which will completely refute the Soviet document.

We will resume negotiations in a continuing spirit of seeking to reach a safeguarded agree

ment. In the meantime, the voluntary moratorium on testing will expire on December 31.[1]

Although we consider ourselves free to resume nuclear weapons testing, we shall not resume nuclear weapons tests without announcing our intention in advance of any resumption. During the period of voluntary suspension of nuclear weapons tests the United States will continue its active program of weapon research, development and laboratory-type experimentation.

REPLY TO STATEMENT BY SOVIET EXPERTS

Press release 884 dated December 29

Department Announcement

Technical Working Group 2, which examined problems relating to detection and identification of seismic events, concluded its work on December 18 and reported to the Geneva Conference on the Discontinuance of Nuclear Weapon Tests on December 19. Annex II of the Working Group report[2] is a "Statement by the Soviet Experts." This intemperate and technically unsupportable Soviet annex, immediately after it was read to the conference, was refuted by Dr. James B. Fisk, chairman of the U.S. technical group. The text of Dr. Fisk's statement of December 19 is attached.

Excerpt from Verbatim GEN/DNT/PV. 150 (December 19, 1959)

. . . . .

Mr. Fisk (*United States of America*): I had hoped that we would not be called upon today to re-argue our cases, particularly since I understand that the annexes to the report which we have submitted to you today are to be published, and particularly also because these questions have been so thoroughly covered in the verbatim records. However, since Dr. [E. K.] Federov has read his incorrect, distorted and misleading statement, I feel that the record would be lopsided if I did not make a few moderate comments on behalf of the United States delegation.

Mr. Federov has referred to a large number of very highly technical and complicated matters. I do not propose to comment on all of them, for the reasons that I have cited. There are, however, a few which deserve comment at this time.

Mr. Federov has returned once again to the argument which he has used persistently throughout our meetings—namely, the argument that the new data based on the Hardtack experiments are invalid because they in effect do not represent a test of the system recommended by the Geneva Conference of Experts. I should like to observe that that assertion is irrelevant. I would, furthermore, observe that the instruments which were used in the Hardtack experiments have been conclusively shown, in the course of the meetings of the Technical Working Group, to be superior to those which we understand were recommended by the Conference of Experts.[3] Mr. Federov challenges us because not every one of the total number of seismographs used in the Hardtack experiments was used in every experiment. This has no essential bearing on the results. I would simply observe that sixteen seismographs, well calibrated and well placed, for any one of these underground explosions, are a rather unusually large number and the data from them are good, relevant and complete.

Mr. Federov charges us with changing the source data as a matter of whim. I should like to remind him that the source data are the seismograms themselves. Many of them have been available to the Soviet delegation for a number of months. In the first few meetings of the Technical Working Group, 250 were made available to the Soviet delegation. Those are the source data. If the Soviet scientists are willing to do their own homework, they have available every bit of data that we have laboured on for so long.

Mr. Federov says that we introduced new data at the nineteenth meeting of the Working Group. That is an absurd statement. I should like to observe that it was only at last, at that nineteenth meeting, that we could even bring Mr. Federov to discuss on a technical basis the very important question of first motion. Furthermore, what he calls new data were obtained by measuring the very seismograms that had been made available to the Soviet delegation earlier.

I should now like to make some remarks about the final report of the United States delegation concerning the work of the Technical Working Group.

In accordance with the Group's terms of reference, the United States delegation bases its report on all scientifically valid conclusions concerning the detection and identification of nuclear events based on new studies and data, whether such conclusions would lead to improvements of the system or would lead to an assessment which would make the system appear less effective. It is our view that mentioning only the potential improvements in the final conclusions on this subject would mislead the Conference on the Discontinuance of Nuclear Weapon Tests concerning the present technical status of the possible control system.

One of the important conclusions in the section of our report on new data deals with the so-called first motion problem—that is, the direction in which a seismic needle would swing as a first response to a seismic disturbance. This direction was considered by the Conference of Experts in 1958 to be the primary tool for discriminating

[1] For background, see Bulletin of Sept. 14, 1959, p. 374.
[2] Doc. GEN/DNT/TWG. 2/9, released at Geneva Dec. 19, 1959.
[3] For background, see Bulletin of Sept. 22, 1958, p. 452, and Jan. 26, 1959, p. 118.

between earthquakes and explosions. The conclusion drawn by the United States delegation, based on new data, is that this method of discrimination is much less effective than had been thought.

A further important conclusion in that section concerns the possibility of concealment of underground nuclear explosions by detonating such explosions in a very large cavity in salt or hard rock. It was shown theoretically that the seismic signal of a given explosion under these conditions could be reduced three hundredfold or more as compared to the signals produced in the Nevada tests. Consequently, explosions could be made to look smaller by this factor and thus be much harder to detect and locate.

Another item of the same section deals with a subject to which Mr. Federov has given such attention—that is, the estimate of the number of earthquakes which would be expected to be detected and located by the system. The conclusion is that the estimates of such a number are very uncertain but that about 15,000 earthquakes per year would be located by the system over the whole world, corresponding to earth movements produced by nuclear explosions of more than one kiloton. For larger explosions, such as 20 kilotons, the number of equivalent earthquakes is about 2,000 world-wide.

All delegations concurred in the section on seismic improvements, and I do not believe that it needs any further comment. However, much work and research must be done to make these new methods effective.

We then have a section on criteria based on objective instrument readings which could be used by the control organization in determining the eligibility of detected and located seismic events for inspection. Agreement was not reached on that section. It is the United States delegation's view that such criteria must be formulated so that a large number of explosions would not be classified as natural earthquakes and that the criteria must be based on well established technical information. Unfortunately, the resulting criteria classify only a small fraction of the seismic events as natural earthquakes, leaving a large number eligible for inspection. It was the Soviet delegation's view that criteria must be specified by the Working Group which would remove a large fraction of the seismic events from eligibility for inspection by identifying them as natural earthquakes. However, it is the United States delegation's view that this is impossible within present technical knowledge. In fact, the criteria proposed by the Soviet delegation would have classified such events as the recent United States undergroun nuclear test explosions, which ranged up to 19 kilotons i yield, as natural earthquakes and thus would have mad them ineligible for inspection. It is the United State delegation's view that as scientific knowledge progresse more useful criteria can be formulated in the future.

We recognize that there is a great deal of additiona seismic information available, as listed in a substantia section of our report, but that information is not suffi ciently complete to be formulated into specific criteria The United States delegation feels that such auxiliar information should be very useful if evaluated in a com petent technical manner in connection with a particula seismic event.

The problem of the formulation of criteria is a strictl technical problem. If technical knowledge permits on to identify a large fraction of seismic events as earth quakes, then it is clearly a great advantage to the contro system. If technical knowledge does not permit tha then seismic events must remain eligible for inspectio Determination of the means of selecting events to b inspected must be left for further consideration by th main Conference.

Foreign Minister of Spain To Visit United States

Press release 879 dated December 29

The Foreign Minister of Spain, Fernand María Castiella y Maiz, has accepted the invita tion of the Secretary of State to make an officia visit to Washington from March 22 throug March 24, 1960. The Secretary expressed his in terest in having the Foreign Minister visit Wash ington when they met in London on August 3 1959.[1]

During the 3 days he will be in Washington, th Foreign Minister will exchange views with th Secretary of State and other U.S. officials on cu rent aspects of Spanish-United States relation and matters of mutual interest to both countrie

[1] BULLETIN of Sept. 21, 1959, p. 404.

Communications Between Peoples, the Challenge of Cultural Diplomacy

by Robert H. Thayer[1]

We are on this 29th day of December on the threshold of an exciting new decade, the decade of the sixties. The next 10 years are going to be years of astounding and dramatic changes. The rapid progress being made in all fields of science is bound to affect very deeply the individual as well as the national lives of the peoples of the whole world.

We in the United States have an obligation as individuals and as a nation to assert leadership in seeing that these changes take place in a way that will bring greater fulfillment to life in a world of peace. We must be on the alert not to lose the basic principles of our great heritage in this process of change, and at the same time we must take care not to cling to concepts that have lost their validity.

This is particularly true in the field of international relations, where, I submit, new concepts are needed if we are to succeed in establishing and maintaining with the people of the rest of the world the mutual understanding necessary to prevent a war that could destroy civilization. These new concepts include what I have termed "cultural diplomacy," as distinguished from the military, political, and economic diplomacy of the decades behind us; and cultural diplomacy, if it is to be effective, requires close association between the government and the academic community. I have, therefore, a profound sense of professional comradeship with all of you here today, for we have much in common in our respective fields of education and foreign affairs, and there is an urgent need today for us to draw closer together.

The key word that links both our worlds is "communication." As teachers of speech and the dramatic arts, you are dealing with communication in its most dynamic form—the form that throughout history has provided man with one of the most effective outlets for his social consciousness. As the head of the State Department's Bureau of International Cultural Relations, I am concerned with communication between peoples—the masses of people who collectively form nations with distinctive languages, histories, social and economic developments, and cultural patterns.

Once communications are established, whether across footlights or from the rostrum or across continents, you and I have the same primary objective—the achievement of a basic understanding of the emotions, aspirations, problems, and cultural heritage of people, whether they be hundreds of millions of Asians seeking social and economic justice or a group of playwrights or speakers pleading for the same cause.

Broadening of International Horizons

International cultural relations have come to the forefront during the past decade in the form of a challenge to our ability to communicate as a nation. I would like to talk to you about this rapidly expanding field of communications today and show you how the Government and the universities can cooperate to work for the national interest in the decade to come.

About 30 years ago the governments of the world, especially ours, paid little attention to international cultural relations, an area of human endeavor properly left to the scholars, artists, and

[1] Address made before a joint meeting of the American Educational Theater Association and the Speech Association of America at Washington, D.C., on Dec. 29 (press release 880). Mr. Thayer is Special Assistant to the Secretary of State for the Coordination of International Educational and Cultural Relations.

peripatetic concert soloists. Since then—especially since the outbreak of the Second World War—governments have come to appreciate international cultural activities as important factors in the overall conduct of foreign affairs. Why have sovereign states broadened their international horizons beyond their traditional political, economic, and military fields of activity? There are three primary reasons, all of which are closely linked.

First, the power of the people to influence official policy has grown in all parts of the world. The masses, whether at the ballot box or at the barricades, are making their voices heard and their desires understood.

Second, the technical means of international communication have developed in phenomenal fashion. The airplane, the radio, the cinema, the low-priced book—all of these have made it possible for the people of one country to reach the people of other countries swiftly and in depth.

Third, world events have made sovereign nations politically, economically, and militarily interdependent. The hiatus between domestic and foreign policy has almost disappeared. Independent countries—the powerful and the weak, the large and the small, the developed and underdeveloped—must adjust themselves to unprecedented and complex interrelationships.

Thus, with the masses taking their place in the sun and with sovereign states finding it impossible to stand alone, communications between peoples—cultural relations—have come to mean many important things to many governments.

What do they mean to your Government? For the United States, the challenge to our ability to communicate as a nation of 180 million people is part and parcel of our struggle to achieve a lasting peace with social justice and dignity for the individual. We are a nation with a message to convey and assistance to give to the peoples who desire a greater share of the world's economic and social wealth. Cultural relations, properly focused and conducted, can help us to convey our message and give our assistance in a manner that is clearly understood, both as to motivation and objectives. Cultural relations can also help us to understand the cultural accomplishments of other peoples, so that our world leadership may be exercised with compassion and respect for foreign values and aspirations.

Unfortunately cultural relations can be used to promote international villainy as well as understanding. The radio that carries the voice of friendship can also carry the voice that harps on national fears, evokes ancient prejudices, and inflames smoldering passions. Cheaply printed books can carry lies as well as the truth. The cinema can convey political dogma as well as artistic achievement.

Therein lies the challenge to this Nation's ability to communicate with the other peoples of the world. The message we have is dynamic, but the barriers we have to breach are formidable. The Government is active in the field of international cultural relations as a partner with the American people in the fulfillment of a task that is vital to our national welfare—the development between peoples of an atmosphere of mutual trust and respect, within which sovereign states may resolve their differences without resorting to force. From a long-range point of view I can think of nothing more important to our national well-being than cultural diplomacy.

Let me review for you briefly the latest developments in the field of Government-sponsored international cultural activities.

Within the Department of State, the Bureau of International Cultural Relations was established last summer to provide high-level policy direction to the established cultural exchange programs. These include the well-known International Educational Exchange Program, which provides for the exchange of approximately 6,500 students, professors, teachers, leaders, and specialists between the United States and more than 100 other countries each year; the President's Special International Program for Cultural Presentations, which assists groups of American performing artists and athletes to appear in other countries of the world; the special cultural, technical, and educational exchange program with the Soviet-bloc countries of Eastern Europe; and the carrying out of the United States share in the important work of UNESCO [United Nations Educational, Scientific and Cultural Organization].

The American Educational Theater Abroad

Here I would like to inject a note of commendation to those of you who have participated in our exchange program as lecturers in the fields of drama and the theater arts at foreign universities.

Among others, some of your colleagues who did outstanding jobs abroad last year include Dr. Frank A. McMullan of Yale University, who made many friends for the United States among the intellectual elite of Chile; Dr. Francis C. Strickland of Stanford University, who was very well liked in Finland; and Dr. Fanin S. Belcher of West Virginia State College, who taught drama to enthusiastic Iranian students at the University of Tehran, despite the frustrations of primitive working conditions.

All of these people proved that courses in the theater arts involve a great deal more rapport between the professor and both his students and his host community than courses in other subjects. This is a very important factor in the achievement of real exchanges of views between our grantees and the people they meet abroad. The professor of drama who directs his students in the production of a play is in an excellent position to represent his own country and culture in depth. I would like to see more of you apply for grants to lecture abroad under the Fulbright and Smith-Mundt programs.

Just one warning, however. Those of you who do go abroad are in for a lot of surprises. The educational theater abroad is not the same as in the United States. In Santiago, Chile, Dr. Frank McMullan found that the theaters of the University of Chile and the Catholic University are affiliated with those schools in name only. In effect, they are highly professional repertory theaters comparable to the Comédie Française in Paris and the Old Vic in London. Professor McMullan's productions of *Look Homeward, Angel* and *The Taming of the Shrew* were extremely well received. His biweekly lectures on acting and directing were attended by authors, composers, poets, and painters in addition to the regular contingent of professors and students from the schools. All of these activities earned him a prize as the "Best Director of 1958" from the Chilean National Association of Theater Critics.

At the same time, on the other side of the world in Iran, Professor Fanin Belcher was directing his students in a production of *Home of the Brave* without blackboard or chalk, in a utility room heated by an inadequate pot-bellied stove, with continuous interruptions from ping-pong players and afternoon tea drinkers.

Both of these gentlemen made outstanding contributions to international understanding in cultural environments far different from the academic life back home.

The differences between the educational theater in the United States and those abroad have been made even more apparent to us in the President's Special International Program for Cultural Presentations. As you know, we have sent several AETA-affiliated university theater groups on foreign tours under this program. These have included the Wayne State University Theater Group that visited India; the Catholic University and University of Minnesota Theaters that toured Latin America; and the Florida A. and M. group that performed in Africa.

These tours were received with genuine warmth and helped to dispel the myth of America's preoccupation with materialistic objectives. Nevertheless, we have found that there is not a clear understanding abroad of the exact status of the amateur versus the professional in the United States. Very often our university theater groups abroad have been judged by the same critical standards used for companies like the Old Vic and the Comédie Française. This factor, added to the problems of limited budgets, makes it difficult for us to plan to use the educational theater abroad on a large scale. We have found, especially in countries where little English is known or spoken, that musical and dance presentations have a broader impact.

Nevertheless I have been particularly struck by the efforts your own organization is making to extend the influence and knowledge of American theater abroad. I understand that university-to-university relationships exist between a number of academic institutions in the United States and abroad. I certainly wish to encourage you to continue and expand this type of activity. It constitutes not only a welcome addition to the limited efforts that our Government can make in telling our cultural story abroad but broadens your community of interest and contributes to your techniques as well.

Despite the financial and other limitations I have already mentioned, I am certain that in the future there will be opportunities for some of your theater groups to travel abroad under the President's Program. Meanwhile we would welcome your advice and counsel concerning the problems that beset us in the export of American theater.

I hope that you will continue to increase your efforts to develop ways and means of your own to tell the story of America's academic theater to the world. The Bureau of International Cultural Relations and I stand ready to help in any way we can.

Coordinating Overseas Cultural Activities

In addition to the supervision and direction of the State Department's cultural exchange programs, I am responsible for coordinating the overseas cultural activities of 15 Government agencies and for serving as a focal point for cooperation between the Government and the many private institutions and organizations active in this field. Since assuming my present position in the State Department, I have not ceased to be amazed at the vast number of organizations and individuals directly concerned with projects that have a pronounced cultural impact abroad.

Within the Government you have the State Department's programs; the programs of the United States Information Agency, including the establishment and maintenance of American libraries abroad; the support of binational centers; the translation and distribution of books, and English-language training courses; the technical cooperation programs of the International Cooperation Administration, under which 8,000 foreign citizens come to the United States each year for training and 3,500 American technicians go abroad to teach skills to the peoples of other countries; the Defense Department's military assistance programs, which have brought more than 9,000 high-ranking military officials to the United States since 1950; the exchanges of publications and other materials between the Library of Congress, the Smithsonian Institution, and the national libraries and institutions of other countries; the exchanges of research materials on the peaceful uses of atomic energy between our Atomic Energy Commission and corresponding agencies abroad; the International Trade Fairs of the Department of Commerce; and many others.

In the private sector hundreds, and perhaps thousands, of separately sponsored international cultural programs are in existence. All sectors of our society are involved, including universities, business firms, foundations, missionary groups, civic organizations, and service clubs. The programs vary in size and scope from the large-scale exchange-of-persons projects of the Ford, Rockefeller, and Carnegie Foundations to the scholarship programs of Rotary International, the pen-pal exchanges sponsored by the Student Forum on International Relations, and the work-camp activities of the American Friends Service Committee.

All of these programs, both public and private, are contributing to the creation of an image of America abroad. My job is to emphasize this commonly shared factor and to help all of the policymakers and planners focus their programs toward the objective of creating an image that is truthful, mature, and understandable.

How are we working to coordinate Government programs and to achieve cooperation between the Government and private enterprise in this field? As we see it in the Bureau of International Cultural Relations, there are three main goals to be reached.

First, we must gather all the facts and find out what everyone is doing in this field in both the public and private sectors. Once we have our facts, and can keep them current, we must distribute them for the benefit of interested individuals and organizations. Within the bureau we have taken steps to achieve this objective by establishing a clearinghouse that is gathering information and is just beginning to issue reports on American-sponsored international cultural activities on a country-by-country basis.

Second, we hope to set up a single coordinating mechanism which will make it easy for Government agencies and private organizations to exchange ideas and information about what they are doing. Toward this end we are arranging monthly meetings of policy planners representing all Government agencies active in cultural relations in the five main geographic areas of the world: Europe, South America, Africa, the Middle East, and the Far East. Exchanges of information and ideas take place at these meetings, which are followed by area forums to which nongovernmental agencies are invited. We have already gotten our regular meetings on the Far East and Africa under way, and we plan to organize our other regional groups in the near future.

Third, we believe that we have a responsibility for initiating activities to solve some of the broad problems of common concern to all groups active in this field. Last April the Department of State

sponsored a conference on international education at St. John's College in Annapolis. The conference brought together representatives of the universities, the Government, and the great foundations for 2 days of general discussions about the orientation of our overseas programs and the role of the American university in international education.

Need for Basic Appraisal

The delegates to the Annapolis conference generally agreed that there is a need for a philosophy of international cultural relations; that we must mobilize our national educational resources; and that long-range planning is required for international educational programs.

What about the role of the American university in this rapidly changing myriad of world events? The conferees at Annapolis sensed a less than adequate response to the Nation's worldwide responsibilities on the part of our academic circles.

American institutions of higher learning form a nucleus around which most of our international cultural and economic efforts turn at the present time. The International Cooperation Administration has entered into $77 million worth of contracts with American universities to help carry out a variety of technical assistance projects. About 47,000 foreign students were enrolled at American colleges last year. According to a survey of the Institute of Research on Overseas Programs at Michigan State University, 184 American universities were conducting 382 international programs during the 1957–58 academic year. It goes without saying that the lifeblood of our International Educational Exchange Program is the wholehearted cooperation and participation of the American academic community.

But yet, despite this tremendous burden being carried by our schools, there seems to be a need for a basic appraisal of where we are headed. Here are some important questions that still haven't been answered:

Can universities answer the demand from Africa, Asia, and Latin America for increased enrollments of foreign students in view of the pressures of limited budgets and an expanding school population?

Is our educational system properly geared to the development of a citizenry that will be able to fulfill the Nation's international responsibilities with tact and understanding? According to surveys I have seen, 1 percent of our population is serving abroad for military, business, academic, governmental, scientific, and religious purposes. How many of these people are aware of their cultural missions in addition to their primary tasks? Not enough, I'm afraid.

Will our entire population have the world outlook necessary to support a massive effort to assist the peoples of Africa, Asia, and Latin America in their struggle for higher economic and social standards?

These are the questions that should be carefully pondered by the academic world. I feel they deserve consideration with a sense of urgency.

As a result of the excellent rapport established at the Annapolis conference last April, I recommended that a detailed study be made of the relationship of the world of higher learning to our international responsibilities. With the financial assistance of the Ford Foundation there has been established an independent Committee on the University and World Affairs composed of academic, governmental, and foundation leaders. The Committee will issue a report next summer which we hope will serve as an impetus to further cooperative study and action by all interested sectors of our society.

These are some of the developments which we in Government with your help are sponsoring in the building of cultural diplomacy. They are, I believe, an important contribution to the perfection of communications between the people of the United States and the people of the rest of the world.

Three Essential Types of Communication

It seems to me that there are three main types of communication that are absolutely essential to us today. First of all, communication through language—so that people can speak and read and listen and learn from the sound of human lips and the sight of the written word. It is absolutely vital today that every American child learn to speak at least one, if not two, languages other than his own. I hope to get this message across to the teachers of every elementary and secondary school in this country, and I hope that some day part of the regular curriculum of speech education will include the necessity of making speeches in a foreign language as well as our own. In any

event, we must continue an aggressive, dynamic campaign to encourage teaching and the learning of foreign languages in this country.

Then there is communication through the common bond of the arts, the music, the song, and the drama. You are all making a fine and continuous contribution in this field.

Finally, there is communication through personal presence—made easier today through the wonders of modern transportation—communication by confrontation, if you will, when seeing is believing and where peoples learn of each other at first hand by sharing in each other's lives within each other's environment. We in America must rid ourselves of the psychological bloc many of us have about foreigners. We must wake up to the fact that in the sixties our neighbors are not those who live in the next house or the next town or the next State; our neighbors are those who live in Asia and Africa and Europe and Latin America, and we must be ready and willing to greet them and treat them not as foreigners but as close associates in a free world.

Modern transportation will surely bring the farthest corners of the earth within the reasonable reach of every American citizen—and also of every member of the hierarchy of international communism. At the same time the forces of freedom have brought into being new nations and new movements amongst peoples for independence and sovereignty which cannot be denied. International communism is avidly wooing these nations and peoples with every possible form of seductive communication. We of the free world have a very great responsibility and obligation to communicate to these people an understanding of what it means to live in freedom. This responsibility is yours and mine, and carrying it out effectively is a task that will demand the pioneering spirit which has always been America's and which, God willing, will always remain so.

U.S.-Soviet Lend-Lease Talks

The Department of State announced on December 24 (press release 872) that the Soviet Government has agreed to a United States proposal that negotiations on the unsettled Soviet lend-lease account should begin at Washington on January 11, 1960.

Charles E. Bohlen, Special Assistant to the Secretary of State, will represent the United States in these negotiations. Ambassador Mikhail A. Menshikov will represent the Soviet Union.

U.S. Welcomes Additional French Trade Liberalization

Department Statement

Press release 881 dated December 29

The United States welcomes the December 24 announcement that the French Government on January 1, 1960, will remove quantitative restrictions on imports of a wide range of dollar goods. This action, which accords with the GATT objectives of removing discrimination in trade among GATT countries, follows similar steps taken September 26[1] and November 5, 1959. It goes far toward placing U.S. exporters on an equal basis with exporters from other countries in competing in the French market.

As a result of this most recent liberalization move, French consumers will be able to buy many United States goods whose importation has been curtailed by quota restrictions for many years. The products freed of quota limitations include cotton textiles, work clothing, wool and rayon clothing, nylon and other synthetic fabrics, acrylic fibers and thread, tires, photographic color film and paper, washing machines, phonograph records, many chemicals, certain machine tools, wheeled tractors, bourbon whisky, honey, light beers, dried or smoked fish, fatty acids, and numerous other goods. In addition, passenger automobiles and trucks with cylinder capacity of 3 liters and less are freed from import restrictions. Higher powered vehicles had been previously liberalized in September.

The action significantly reduces French discrimination against dollar goods and is an important step toward the United States goal of complete elimination of such trade discrimination. The United States Government hopes that France will continue to make rapid progress in removing remaining restrictions, which include some important agricultural products.

[1] For a Department statement of Oct. 1, see BULLETIN of Oct. 19, 1959, p. 559.

Schedule I Nomenclature Changed in U.S.–Swiss 1936 Trade Pact

BACKGROUND

The Swiss Government has placed into effect a modern tariff schedule, using the Brussels nomenclature, effective January 1, 1960. In this connection the Swiss have adapted the language of the schedule of tariff concessions granted to the United States in 1936 to the language of the new tariff. This adaptation is limited to changes in tariff numbers and descriptions of tariff items but does not involve any changes in rates of duty on tariff concessions given by Switzerland to the United States.

On December 30, 1959, the United States and Switzerland exchanged notes governing the entry into force of the new nomenclature of the Swiss schedule of tariff concessions to the 1936 U.S.–Swiss bilateral trade agreement, as supplemented, still in effect. The new Swiss schedule I to the agreement, authentic in both the English and French languages, was annexed to the Swiss note presented to the United States on December 30, 1959. The Swiss note, including the annexed schedule I, and the United States reply entered into force on January 1, 1960, to coincide with the entry into force of the new Swiss tariff.

U.S. tariff concessions granted to Switzerland under the bilateral agreement are not affected by the exchange of notes, and no new tariff concessions on the part of the United States are involved.[1]

TEXT OF U.S. NOTE

December 30, 1959

Excellency: I have the honor to acknowledge receipt of your note of today's date in which you set forth the understanding of the Government of the Swiss Confederation of conversations which have been held between representatives of the Government of the United States of America and the Government of the Swiss Confederation with respect to the transposition of Schedule I to the existing trade agreement between the United States and the Swiss Confederation, as supplemented, and which reads as follows:

[For text, see Swiss note which follows.]

In reply, I am happy to inform you that the Government of the United States concurs in the understanding as set forth in your note and that your note, including the Schedule I annexed thereto, and this reply shall enter into force on January 1, 1960.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

W. T. M. Beale

His Excellency
Henry de Torrenté,
Ambassador of Switzerland.

TEXT OF SWISS NOTE

Washington, D.C.
December 30, 1959

Sir: I have the honor to refer to conversations which have been held between representatives of the Government of the Swiss Confederation and the Government of the United States of America with respect to Schedule I to the existing trade agreement between the Swiss Confederation and the United States of America, as supplemented.

It is the understanding of the Government of the Swiss Confederation that, in order to reflect the nomenclature of the revised tariff of the Swiss Confederation, a transposition to the new nomenclature has been made in Schedule I, and that it is mutually agreed that the Schedule I, being equally authentic in the English and French languages, annexed to this note[2] shall replace Schedule I annexed to the 1936 trade agreement, as supplemented.

I have the honor to propose that the Government of the United States reply in the very near future concurring in the foregoing, and that the exchange of notes shall enter into force on January 1, 1960.

Accept, Sir, the renewed assurances of my highest consideration.

H. de Torrenté

The Honorable
Christian A. Herter
The Secretary of State
Washington 25, D.C.

[1] Copies of the new Swiss schedule may be seen at the field offices of the Department of Commerce, and individual copies may be obtained, as long as the supply lasts, by writing to European Division, Bureau of Foreign Commerce, Department of Commerce, Washington 25, D.C.

[2] Not printed here.

A Review of the State of the World's Food and Agriculture

TENTH SESSION OF THE CONFERENCE OF THE FOOD AND AGRICULTURE ORGANIZATION, ROME, OCTOBER 31–NOVEMBER 20, 1959

by Clarence L. Miller

REPORT ON TENTH SESSION

The 10th session of the Conference of the Food and Agriculture Organization of the United Nations (FAO) was held at the Organization's headquarters at Rome, Italy, from October 31 to November 20, 1959. The Conference, which meets biennially, is the governing body of the Organization, and as such it had before it many questions for decision, including approval of the program of work and budget for 1960–61, election of a number of officials and committees, election of new and associate member countries, decisions on several constitutional and administrative matters, and consideration of some special topics. In addition, the Conference provided a forum for reviewing the state of food and agriculture in the world.

This report contains a brief summary of some of the major actions of the Conference in these several categories.

Elections and Appointments

B. R. Sen of India, who had served for 3 years as Director General, was reelected for a further 4 years. Louis Maire of Switzerland was elected Independent Chairman of the FAO Council for 2 years, replacing S. A. Hasnie of Pakistan, who had completed two 2-year terms.

• *Mr. Miller is the Assistant Secretary for Marketing and Foreign Agriculture, Department of Agriculture, and was the U.S. Delegate to the FAO Conference.*

During 1960 the following 25 countries will occupy seats on the FAO Council: Brazil, Canada, Chile, Colombia, Cuba, France, Germany, Ghana, India, Indonesia, Iran, Italy, Japan, Lebanon, Mexico, Morocco, Netherlands, New Zealand, Norway, Pakistan, Portugal, Thailand, United Arab Republic, United Kingdom, and United States. In 1961 Australia and Denmark will take up membership in the Council, while New Zealand and Norway will drop out.

Max Myers of the United States served as chairman of Commission I (World Food and Agricultural Situation), and Ralph W. Phillips of the United States was elected *rapporteur* of Commission II (Program of Work and Budget).[1]

New Memberships

The Republic of Guinea was elected to membership, bringing the total membership of FAO to 77 countries. Membership was also granted to Cyprus, Nigeria, Somalia, Cameroun, and the Republic of Togo, effective when the trusteeship ends or full independence is reached in each case and when the appropriate instrument of acceptance is submitted. Until they assume full membership they would be granted the status of associate membership as specified in article II, paragraphs 3 and 4, of the constitution. (Cameroun and the Republic of Togo declined this status.) Thus, presumably, by some time in 1960, the membership of FAO will have risen to 82 countries. Associate

[1] For names of other members of the U.S. delegation, see BULLETIN of Nov. 16, 1959, p. 732.

membership was also granted to the Republic of Chad, the Republic of Gabon, the Malgache Republic, the Federation of Rhodesia and Nyasaland, the Republic of Senegal, and the Soudanese Republic.

Program of Work and Budget 1960–61

All segments of the Organization's regular program of work were reviewed, together with related activities carried out under the Expanded Technical Assistance Program (ETAP) and in projects supported by the Special Fund. The program of work includes activities in the following technical and economic fields: (1) land and water development, (2) plant production and protection, (3) animal production and health, (4) fisheries, (5) forestry, (6) nutrition and home economics, (7) rural institutions and services, (8) statistics, (9) commodities, and (10) economic analysis. The proposals for work in these fields were considered generally sound and were approved, together with activities relating to the applications of atomic energy in FAO's fields of interest and those relating to public information, publications, the library, and rural legislation.

A budget of $21,536,850 was approved for the biennium 1960–61. After deducting a payment of $2,556,800 to cover the contribution of the Expanded Technical Assistance Program toward the FAO headquarters costs of this program for the 2 years and anticipated miscellaneous income of $529,050, the assessment budget to be contributed by member governments is $18,451,000 for the biennium, or $9,225,500 annually. The U.S. percentage contribution remains at 32.51 percent.

The budget includes financial provision for the final stages of an internal reorganization of FAO which had been approved earlier by the Council. Accordingly, the Organization now has four major segments, a technical department, an economics department, a department of public relations and legal affairs, and a division of administration and finance. Each of the three departments is headed by an Assistant Director General, who works under the supervision of the Director General and the Deputy Director General.

The technical department includes seven divisions, corresponding to the first seven subject-matter areas mentioned above. In addition there is an atomic energy branch attached to the office of the Assistant Director General.

The economics department is composed of three divisions, corresponding to the fields of work numbered 8, 9, and 10 above.

Within the office of the Director General there is a program and budgetary service which assists the Director General, the Deputy Director General, and the departments on matters of a programing and budgetary nature that require centralized attention.

State of Food and Agriculture

The Conference noted that in 1958 a 4 percent increase in world agricultural production had followed the temporary pause in expansion in the previous year. Information available indicated a further rise in production in 1959, although probably not as great as in 1958.

As in previous years, however, little of the increase in production had moved into consumption. The large cereal crops of 1958, especially in the United States, had led to a sharp rise in the unsold stocks of wheat and coarse grains. There had also been a marked increase in stocks of coffee and sugar. Thus, while the economically advanced countries were able to increase production rather rapidly, the less developed countries found it difficult to achieve major increases; nor could they afford to import sufficient food to insure adequate nutrition for their rapidly growing populations.

Although the world food problem is partly a problem of distribution, and although the availability of surplus stocks on concessional terms had proved of great value in many cases, the recent virtual disappearance of stocks of dairy products for use in nutritional programs had demonstrated that nutritional improvement could not be based securely on the assumption that surplus stocks would always exist. As at its session in 1957,[2] therefore, the Conference again emphasized that, in spite of the continued existence of surplus stocks, in the long run the less developed countries could overcome the twin problems of rural poverty and inadequate food supplies only by building up their own agricultures and developing balanced economies.

[2] For an article on the ninth session of the FAO Conference, see *ibid.*, June 23, 1958, p. 1066.

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Except in a few countries the increase in food production seemed to have done little to check the rise in the cost of food to consumers, and retail food prices had generally continued their slow rise during 1958. In most of the more developed countries this had occurred largely because of the increasing cost and complexity of marketing services. In many of the less developed countries, with low agricultural productivity, where population and the demand for food were rising quickly, food prices had tended to increase faster than the cost of living as a whole.

The average annual increase in world food production had recently been only about 0.5 percentage points above the average population growth of 1.6 percent, in contrast to the margin of some 1.5 percent that had been achieved in the earlier part of the postwar period. The Conference expressed its concern at the slackening in the increase of production in relation to population that had taken place in the less developed regions during the last few years. In the less developed regions as a whole the average annual margin over population growth was estimated to have fallen from nearly 2 percent in the earlier postwar period to a little under 1 percent in more recent years. Latin America was the only one of the less developed regions where food production was expanding faster than before.

The rate both of population growth and of production increase had naturally varied sharply from country to country. Examples included India, where population was increasing by 1.9 percent per year and the expansion of production had been stepped up from an annual average of 2.8 percent under the first 5-year plan to 3.9 percent during the first 3 years of the second plan; Chile, where the rates were estimated as 2.5 percent for population and 1.7 percent for production; and Pakistan, where food production had recently shown little increase in the face of an annual population growth of 1.6 percent. In several Far Eastern countries and in parts of Latin America and Africa the increase in production had recently fallen behind or was barely keeping pace with the accelerating growth of population.

Furthermore, in both the Far East, where the wartime setback to production had been particularly severe, and in Latin America, where the population was growing especially rapidly, per capita food production was still somewhat below the average prewar level, while in Africa, too, it appeared recently to have fallen back to approximately that level. Because of smaller exports or larger imports, per capita supplies of food available for consumption in each of the less developed regions were slightly higher than before the war. Nevertheless, the widespread poor harvests of 1957 had demonstrated that the immediate situation remained precarious.

The Conference noted with concern the deterioration in the terms of trade for agricultural products on world markets, which had had serious effects for agricultural exporting countries. For example, in comparison with the average for the relatively stable 2-year period of 1952 and 1953, the terms of trade for agricultural products, as measured by their purchasing power for manufactured goods, had fallen by some 20 percent. Agricultural exporters in general had therefore not benefited at all from an increase of about 19 percent in the volume of their shipments from 1952–53 to 1958. For the less developed regions of the world the volume of agricultural exports had increased by 15 percent during this period, but their real value had declined by about 3 percent. Real prices of agricultural products as a whole, however, were still appreciably higher than during the period of depression immediately before the war.

The relatively unfavorable economic position of farm populations, which had lower levels of living, in both goods and services than urban populations, received considerable attention in the discussions. It was pointed out that a part of this difficulty was due to the farmer's position as a primary producer, since fluctuations in the prices of primary products were wider than they were in the prices of industrial products. This was particularly evident in underdeveloped countries which depended on the production of one or two agricultural products for sale in the world market. However, it was pointed out that even in the United States farm income, as a proportion of national income, had been falling rather steadily.

The difficult position of farmers as a group poses a number of serious problems for those countries trying to obtain more rapid development of their economies. The lack of capital and the extreme difficulty of creating savings from populations whose level of existence is extremely low were stressed. One obvious conclusion was

the necessity of obtaining capital from more highly developed countries if any substantial measure of economic growth is to be obtained by the underdeveloped countries. It was also pointed out, however, that capital alone could not be expected to overcome the handicaps of malnutrition, illiteracy, and lack of technical skills.

Government policies in regard to agricultural price stabilization and support also received a great deal of attention. A set of guiding principles which had been developed by a panel of experts in accord with a Conference decision in 1957 brought out some decided differences of opinion, and this matter will be given further attention in the Council's Committee on Commodity Problems and in future sessions of the Conference. There was a lengthy discussion of commodity problems, including the work of the Committee on Commodity Problems and its subsidiary groups, particularly the Washington Subcommittee on Surplus Disposal. A high degree of interest in and support for activities in this field was evident. Future benefits also would seem to be assured if an appropriate degree of support and interest can be maintained in relation to the increasing and better informed participation of underdeveloped countries in this work.

Special Topics

Several topics received special consideration in the Conference. Most of these were related either to past or proposed activities in the regular program of work or to activities that might supplement that program.

The Conference designated 1961 as a World Seed Year, and during 1959–61 a campaign will be conducted to emphasize the advantages of improved seed and to encourage the less developed countries to undertake more adequate seed improvement and distribution programs.

FAO's work to date on the survey and appraisal of resources was approved. It was agreed that FAO's role should continue to be that of developing methodology and advising countries regarding its use, leaving to countries the task of surveying and appraising their own resources and planning for the most efficient use. It was also agreed that plans for evaluation of the work done thus far were satisfactory, but it was left to the 11th session of the Conference to determine the future of the project within FAO's program of work.

In a discussion of relations between FAO and the United Nations Children's Fund (UNICEF), financial problems received particular attention. The only basic point of difference that emerged related to the principles upon which the two organizations had based their policies to date. FAO has operated on the principle that the administrative and operational costs of projects should be met by the budgets for the programs to which they were related—in other words, that the full cost of a program should be the subject of action by one legislative body. If different legislative bodies allocate funds for different parts of a program or project, it is inevitable that at times shortfalls will result on one hand or the other. UNICEF has based its approach on the principles that financing and functional responsibility should go hand in hand and that one international organization should not transfer funds to another international organization. Thus, it is argued that, if FAO has the responsibility for the subject-matter side of a project, it should cover the cost of any work on that side of the project. It is argued also that UNICEF is not in fact a *fund*, like ETAP and the Special Fund. So long as these divergent principles govern the policy decisions of the two bodies, a reasonable solution to the problem is hardly possible.

The Conference expressed appreciation to the UNICEF Executive Board for its action in making available up to $238,000 in 1960 to cover the costs of project personnel that could not be met from ETAP funds and for its willingness to consider extending this interim arrangement through 1961. It also endorsed the plan for the Director General of FAO and the Executive Director of UNICEF to hold discussions aimed at finding possible solutions to the long-term problem. It was recognized that the questions of principle could be resolved only by governments and that the governments which participate in both FAO and the UNICEF Executive Board should be urged to study the problem carefully and to insure that their respective representatives followed the same line in each governing body, thus making it possible for the governing bodies to arrive at agreed policies based on principles that are accepted in both organizations.

The Conference considered the Director General's proposal for a "Freedom-From-Hunger Campaign." It endorsed a campaign extending from

1960 to 1965 under the general leadership and coordination of FAO and with the participation of member governments of FAO, the United Nations, the specialized agencies, and IAEA; the agencies themselves; international nongovernmental organizations having consultative status with FAO, the United Nations, or the other specialized agencies; religious groups; and private organizations within member countries. The Conference also emphasized that objectives of the campaign can be reached only if the less developed countries develop effective and useful action projects; authorized establishment of a campaign trust fund to which voluntary contributions from participating member governments, international nongovernmental organizations, religious groups, private foundations, and organizations could be made; established an advisory campaign committee of 10 member governments (appointed by the Council), a subcommittee on research, and an advisory committee of nongovernmental organizations; requested the Director General to make appropriate reports to the Council and proposals to the Conference for possible inclusion of funds in the 1962–63 budget; and requested the Council to keep the campaign under review and present proposals and comments to the next Conference.

The Conference had before it a "Forward Appraisal" covering the period 1959–64, which had been prepared by the Director General at the invitation of ECOSOC. Similar appraisals have been prepared by the United Nations and other specialized agencies as a basis for consideration by ECOSOC of trends and interrelationships in the economic and social activities of the U.N. agencies. The Conference noted the great importance attached to work in the fields falling within FAO's terms of reference; commended the Director General for the careful analysis he and his staff had made; indicated general agreement with the priorities proposed, noting that they indicated a trend which reflected the need for greater attention to agricultural and food problems; pointed out that those priorities could only be considered as general guidelines and would need careful review in the light of the budget level which may be approved for the years involved; made it very clear that the Conference in no way endorsed the proposal for a 70 percent increase over the 3-year period and that, in fact, it was not prepared at that stage to indicate any specific level of increase that member governments might support for 1962–63 and later bienniums; and authorized the transmittal of the "Forward Appraisal" documents to ECOSOC, together with the comments summarized above.

Three other special topics—social welfare, Mediterranean development, and agrarian reform—were also discussed. The first two of these were projects authorized by the Conference in 1957, and there were no proposals for further expenditures by FAO on these projects. There was unusually wide interest in the discussion of agrarian reform.[3] The general tenor of the statements, with a few exceptions, was on the practical technical aspects of "land reform" or "agrarian reform." The Director General set the tone by his initial statement reminding the Conference that policy decisions in the field of agrarian reform are the prerogatives of governments, while FAO's part is to furnish member governments with technical analysis and background information and to function as a clearinghouse of experience and information. The Conference recognized the importance of agrarian reform in many countries and stressed the need for thorough planning, adequate land distribution, and proper implementation of programs. It also noted that measures of agrarian reform must take into account the need for maintaining and improving the level of agricultural production, as well as the provision of adequate supplementary services, such as credit, marketing facilities, cooperatives, and extension. The Conference endorsed expanded assistance to governments in Latin America and southeast Asia.

Constitutional and Administrative Matters

Among the many constitutional and administrative matters which the Conference acted upon, the most significant were these:

An amendment to the constitution, proposed by the United States, was adopted, which provides that decisions on the level of the budget shall be taken by a two-thirds majority of the votes cast instead of a simple majority.

Another amendment transfers from the rules to

[3] For a U.S. statement on agrarian reform made before the Conference on Nov. 9 by Deputy Assistant Secretary of State Horace E. Henderson, see *ibid.*, Dec. 14, 1959 p. 887.

an article of the constitution a provision requiring 120 days' notice to member governments before a proposal for amending the constitution can be considered.

A third amendment increases the number of seats on the FAO Council from 24 to 25.

Changes in the rules include one designed to simplify multiple-election procedures in the Council. The Conference also decided that there should be only one policy governing both the membership of nonmembers of FAO in commodity study groups and observers at FAO meetings. In this connection it decided that nonmembers participating in study groups should contribute to their support, that former members in arrears could participate only after paying those arrears or after the Conference had approved arrangements for the settlement thereof, and that authority for approval of participation by nonmembers of FAO in subsidiary bodies of the Committee on Commodity Problems should rest with the Council.

An agreement between FAO and the Government of Ghana providing for a regional office for Africa at Accra was approved. An agreement with the Government of Venezuela was approved for establishing a Latin American Forestry Research Institute under the provisions of article XV of the constitution. The establishment of regional forestry commissions in North America (Canada, United States, and Mexico) and in Africa was authorized.

The Conference adopted a set of "guiding lines regarding relationship between FAO and Inter-Governmental Organizations" and approved, in the light of these "guiding lines," an agreement between FAO and the League of Arab States. Although this agreement had been the subject of considerable discussion in earlier meetings, it was adopted by the Conference in an atmosphere of harmony.

A cooperation agreement between FAO and the International Atomic Energy Agency was approved.

The Government of Italy had made financial provision for construction of a new wing to the FAO headquarters building, and during the 10th session of the Conference the President of Italy laid the cornerstone. It is expected that the new wing will be ready for occupancy by mid-1961.

With regard to the headquarters costs of the Expanded Technical Assistance Program, the Conference approved the interim arrangement for 1960–61 by which FAO will be reimbursed from ETAP funds for headquarters costs and also reaffirmed its earlier position, and that of the Council, that these costs should continue to be a charge against ETAP funds instead of being incorporated in the regular FAO budget.

General Observations on the Conference

The 10th session of the FAO Conference was the most substantive, orderly, and businesslike session held to date. This no doubt resulted from a number of factors, among which were the following:

(a) The very thorough preparatory work done by the Council, its Program Committee, Finance Committee, and Committee on Commodity Problems, and the FAO/UNICEF Joint Policy Committee;[4]

(b) The fact that the level of the budget was not a major issue;

(c) The lack of major differences on constitutional or organizational matters, and the fact that political issues were relatively moderate in scope and intensity;

(d) The quality of the documentation, which on the whole, was well prepared; and

(e) The increasing experience of the staff and many of the delegations.

The overall organization of the Conference, while it still had some defects, was the best that has been achieved thus far. Most discussions—other than general statements by heads of delegations and final decisions and adoption of sections of the Conference report—were carried out in the commissions.

Perhaps the main problem facing FAO in the years ahead is that of insuring that the Organization remain an instrument of its member governments. FAO should be developed further as an international forum in which countries can exchange information and ideas and plan for common or coordinated action. The United States does not believe that the Food and Agriculture Organization should become an operating instrument for carrying out projects of one country, or

[4] For a report by Ralph W. Phillips on the first meeting of the Joint Policy Committee, see *ibid.*, Mar. 9, 1959, p. 350.

of small groups of countries, or of individuals with particular interests to promote.

STATEMENT ON FREEDOM-FROM-HUNGER CAMPAIGN [5]

Many of the delegates to this Conference are aware that we, in our statements to the 29th and 31st sessions of the FAO Council, generally accepted the idea of the campaign suggested by the Director General. My Government has followed the development of ideas regarding this campaign very closely since the proposal was first brought forward; also, we had the opportunity of participating in the Council's *Ad Hoc* Committee which worked with the Director General in preparing suggestions for consideration by the 31st session of the Council. Even at the risk of some repetition, I should like to now restate our positions regarding various important aspects of the proposal.

We appreciate the importance of the problems to which the campaign is expected to direct attention. There can be no question of the great need for finding ways of providing more adequate nutrition to the large portion of the world's population which may now be considered as inadequately fed. We recognize, too, that this problem is apt to become more intense as the population upsurge continues. We have supported FAO's efforts to deal with these problems from the time the Organization was founded, and we will continue to do so. Our comments today, which are directed toward the proposals contained in the document [6] before us, are intended to be constructive and in the interest of developing and strengthening FAO as an organization in the service of its member countries. With this in mind, I should like to make the following points:

Proposals for Specific Activities

1. We are pleased to note that progress is being made toward the development of more specific suggestions regarding the content of the proposed campaign. Those of you who heard our earlier statements will recall that one of our preoccupations was that this should be a campaign of substance and not one aimed at merely publicizing the problems involved in achieving better nutrition for all.

2. We are in general agreement with the findings of the *Ad Hoc* Committee. The *Ad Hoc* Committee, however, could only go a limited way in defining the nature and content of the campaign and much remains to be done before there is a clear understanding of the manner in which the campaign would be carried out and just what activities would be undertaken by governments, by FAO, and by other organizations, both intergovernmental and nongovernmental.

3. The proposals for specific activities or types of activities as set forth in the document under consideration are helpful and provide a basis for further discussions. However, the suggestions, and particularly those regarding activities to be undertaken by member governments, are quite general in nature. Countries, as well as organizations that might participate, must do a great deal of spade work before anything resembling a constructive and cohesive campaign can be expected to emerge.

4. Perhaps our greatest preoccupation with the proposals now before us, including those relating to financing, is that they tend unduly to emphasize what the FAO staff will do rather than what governments will do. It has been our feeling from the beginning that the major tasks of the campaign must fall upon member governments if productive work is to be accomplished and if the campaign is to achieve the success we would all wish it to have. In this context we visualize FAO's role as that of stimulator and coordinator and that the FAO staff would actually undertake relatively little additional substantive work. Rather, we hope that the campaign will strengthen the regular work of FAO and not compete with it. This concept was, I believe, clearly in the minds of the *Ad Hoc* Committee and is emphasized in paragraph 11 of that committee's report.

5. In view of the responsibility which must fall on governments if there is to be a successful campaign, we are not at all clear as to the basis of the estimates for the cost of the campaign itself. In this connection I would recall that the Director General in his statement to the Council in June intimated that he felt that perhaps as much as $2 million would be necessary in a special fund in

[5] Made by Mr. Miller before a plenary session of the Conference on Nov. 10.

[6] FAO doc. C/59/15.

order to carry out a successful campaign. In the interval between June and the issuance, at the beginning of August, of the Conference document we are now considering, this figure was increased to something of the order of $10 million to $13 million. At the same time we are given no clear indication in the document as to the purposes for which the contributions, and particularly the $4 million which might be contributed by governments over a 6-year period, would be used. This would represent a substantial increase in the contributions of governments to FAO's program, and, since contributions would presumably be on a voluntary basis, it is by no means certain that all member governments would be prepared to share in these contributions.

My own Government is not now in a position to make an additional contribution to the Organization, and it may be that many other governments will find themselves in the same position. With regard to the possibilities of finance from nongovernmental organizations, we should like to know from those organizations themselves just how far they might go in meeting the figure of $1 million to $1.5 million per year over a 6-year period, or a total of $6 million to $9 million.

6. I recognize that FAO could utilize additional funds to good advantage for certain aspects of the campaign. Also, my Government does not see any objections to the setting up of a fund to which nongovernmental organizations and foundations might contribute. Some governments also might wish to make special contributions, in line with the thinking of the *Ad Hoc* Committee when it suggested that "governments might make an initial contribution to this fund." However, I believe that anything that resembles a special levy against governments, either for a single year or over a period of years, would not be an acceptable approach. This may be primarily a question of wording, and we would be happy to assist in arriving at a suitable wording to describe the financial and budgetary aspects of the campaign.

Special Activities as Contributions to Campaign

7. Even though we have doubts regarding the obtaining of special financing at the level suggested by the Director General, we do not believe that this should be a serious roadblock in the development of the campaign. In fact, a large fund in the hands of FAO might itself be a roadblock in developing a real worldwide campaign, since it would tend to overemphasize what the FAO staff would be doing as compared with those essential parts of the campaign which only governments and private organizations can and should do.

Therefore I should like to emphasize again the importance we attach to the development of an approach which encourages each government to undertake one or more activities which that government is prepared to have regarded as its contribution to the overall campaign. In this connection I should point out that our Government made available to the *Ad Hoc* Committee a series of suggestions regarding the types of activities which governments, and in some cases organizations, might undertake. That list of suggestions was not in any way intended to be a list of things all of which each country should undertake. Rather, it was merely a series of suggestions which, taken with suggestions from other sources, might indicate to governments the types of special projects they could undertake as contributions to the campaign.

Thus, one government might undertake only one or two special activities; another government might undertake three or four. In areas where several governments undertook work in the same field, FAO could perform a useful function in keeping each of them informed of the action contemplated by the others and in arranging for coordination where that was deemed desirable. By this approach a whole series of activities might be undertaken around the world which could have a very large total effect on the improvement of agriculture and human nutrition. In this respect we visualize the campaign as something which might be developed along the same general lines as those followed in the International Geophysical Year.

Phasing, Organizing, and Planning

8. The document before us contains some proposals regarding the phasing and the organization of the campaign. The suggested phasing seems to us satisfactory, although to some degree it is necessary to withhold judgment until the full nature and content of the campaign becomes more apparent. We endorse the proposal for a special campaign committee, consisting of member governments, which would advise the Director General on the development of the campaign. This

committee might function under the aegis of the Council. We are also in general agreement with the idea of a research advisory committee. However, to avoid confusion and to insure that research projects are properly coordinated with other phases of the campaign, we believe that the research group should be an advisory subcommittee of the main campaign committee. We are also in favor of the proposal for an advisory committee of those nongovernmental organizations which have recognized status with FAO, assuming that those organizations do expect to participate in and contribute to the campaign.

9. I should like to mention one other problem which causes us some concern. A campaign of the scope of the one proposed will involve a great deal of work if it is to be successful. It is hoped that most of that work would be done by member governments or nongovernmental organizations. At the same time FAO would be carrying forward its regular program of work as well as its technical assistance programs, which, of course, have the same objectives as does the campaign. Some additional workload would inevitably be placed upon the FAO staff. We are eager to insure that the campaign is so planned and so developed that this extra workload is kept to a minimum and that the regular program of work will be disrupted as little as possible.

This Conference will approve a regular program of work for the next 2 years. It is a substantial program and will provide a full workload for the staff. There are in it certain changes in emphasis whereby it will contribute more effectively to meeting the needs of member governments. Certain other changes may be made in subsequent biennial programs also aimed at giving more effective service to member governments. This we believe to be a sound approach. At the same time we would consider it very unfortunate if such large demands were placed on the staff members for special activities in connection with the proposed campaign which are not included in the approved program of work that they would be unable to implement a substantial portion of the activities agreed to by this Conference. In other words, we should not, in our zeal to assist member governments in one respect, cut off or diminish the assistance which the Organization is in position to give under its regular program of work. Perhaps our apprehension arises from the lack thus far of a clearcut, carefully costed program of work for the campaign, including a clear indication of the extent to which the regular staff would be called upon to participate.

10. Just a brief word regarding the title. We believe that the title selected should be one that is positive, does not create false hopes, appeals to reason rather than emotions, and is readily translatable into the three official languages. We believe that the present proposal, i.e. "Freedom-From-Hunger Campaign," constitutes a substantial improvement over the initially proposed title, "Free the World from Hunger Year." We would have preferred a title such as "International Food Campaign," but on this question we would be prepared to accept "Freedom-From-Hunger Campaign" if a majority of the member countries feel that there is no better alternative.

U.S. Support of Campaign

11. Finally, I would like to indicate that the United States is prepared to support the campaign in various ways. Some of the possibilities include distribution of informational materials and publications in our country on as broad a basis as the supplies permit; stimulation of public discussion, particularly on the land-grant-college and university campuses, in farm organization groups, and in other groups which have definite interests in food problems; participation in research projects insofar as these are of direct interest to and can be fitted into existing programs of our Federal and State institutions; and continuing to give support to activities in other countries through U.S. bilateral activities within the framework of continuing programs. In addition I should say that we are prepared to participate in the special campaign committee and a subcommittee to advise on research activities if the Conference agrees to the establishment of these bodies and requests us to participate, thus assisting in the further planning and development of the campaign.

I hope, Mr. Chairman, that I have been able to make it clear that we of the United States delegation do believe that the campaign can make substantial contributions to the solution of the world food problems and that we are prepared to participate in it. If I have appeared to take a questioning attitude on some points it is because we in the United States delegation believe sincerely that the campaign can be really effective only if it is

developed primarily as an activity of governments and that the main responsibility for action must rest with the member governments. We feel that an attempt to develop the campaign on any other basis could only lead to ineffective action and frustration. I hope, therefore, that we can agree on a positive approach along the general lines I have tried to set forth.

Proposals Regarding Resolution

Now, Mr. Chairman, in the light of the foregoing comments, I should like to suggest that this Conference adopt a resolution along the following lines:

First, the resolution should recognize that FAO is, according to its constitution, the principal agency within the United Nations family of agencies for the promotion of international cooperation designed to achieve the objectives of the proposed campaign.

Second, the resolution should also recognize the urgency and importance of increased national efforts toward these objectives, in view of the growing needs for food and agricultural products as a result of the expansion in world population.

Third, the resolution might include decisions aimed at:

(a) authorizing an international campaign beginning in 1960 and culminating in a World Food Congress, perhaps in 1963, and in a review of the final accomplishments of the campaign in the FAO Conference in 1965;

(b) establishing a special campaign committee composed of representatives of perhaps 10 member governments, which would serve until the 11th session of the Conference and would exercise general oversight over the campaign on behalf of the Council and the Conference;

(c) establishing a research subcommittee, composed also of perhaps 10 countries, on the understanding that countries would supply individuals selected for their competence and experience in agricultural research (This group would serve as a subcommittee of the special campaign committee, and would likewise serve until the 11th session of the Conference.);

(d) authorizing the Director General to begin preparations of basic studies just as soon as these proposals had been reviewed by the research subcommittee and the special campaign committee and the funds were available to cover the costs;

(e) authorizing the establishment of a campaign fund to be administered in accord with FAO's financial regulations and to which nongovernmental organizations, private foundations, and individuals, as well as, in some cases, member governments, might make voluntary contributions for purposes to be agreed upon by the special campaign committee.

Fourth, the resolution should authorize the Director General to invite the cooperation of the United Nations and other agencies in the U.N. family of agencies in those aspects of the campaign falling within their terms of reference and of interest to them.

Finally, the resolution should request the Council to keep the campaign under review, to receive reports from the special campaign committee and its research subcommittee, and to present to the 11th session of the Conference a detailed report on the then current status of the campaign and on proposed further activities and their financial implications.

I make these suggestions, Mr. Chairman, not as a formal resolution but rather to provide the framework for a resolution which can be prepared at a later stage, when the precise nature of this Conference's conclusions are evident.

TEXT OF RESOLUTION [7]

FREEDOM-FROM-HUNGER CAMPAIGN

THE CONFERENCE

Considering that

(a) a large part of the world's population still does not have enough to eat, and an even larger part does not get enough of the right kinds of food,

(b) the increase in food production only barely exceeds population growth,

(c) the increase in food production per capita is least marked in the less developed parts of the world,

(d) food production in developed countries is being held back by limited marketing possibilities abroad and that even so, surpluses of some commodities have accumulated in some countries, and

(e) under its Constitution FAO is the principal agency within the United Nations family of international agencies responsible for the encouragement of and aid to countries in raising levels of food production, consumption, and nutrition,

1. *Welcomes* and *approves* the proposal for a Freedom-from-Hunger Campaign along the general lines suggested by the Director-General;

[7] Adopted unanimously in plenary session on Nov. 20.

2. *Expresses* appreciation of the cooperation in the Campaign promised by the United Nations and the specialized agencies;

3. *Authorizes* an international "Freedom-from-Hunger Campaign" extending from 1960 through 1965, under the leadership and general coordination of FAO and with invitations to participate, as appropriate, and approved by FAO, to (i) member countries of FAO; (ii) member countries of the U.N. and the U.N. specialized agencies, and the International Atomic Energy Agency (IAEA), and to these agencies themselves; (iii) international non-governmental organizations having established consultative relationship with FAO, the U.N., or the other specialized agencies; (iv) religious groups; and (v) individuals and private organizations within the member countries specified in sections (i) and (ii) above:

4. *Emphasizes* that the objectives of the Campaign can only be reached if the less developed countries develop effective and useful action projects to this end, and that the formulation and vigourous prosecution by them of such projects will increase the support for the Campaign in the more highly developed countries;

5. *Approves* the creation of a Freedom-from-Hunger Campaign Trust Fund, to be administered in accordance with FAO's regulations, and for purposes and activities involved in the Campaign;

6. *Authorizes* the Director-General to appeal for voluntary contributions to:

(a) Member countries as specified in paragraph 3 (i) and (ii),

(b) International non-governmental organizations,

(c) Religious groups,

(d) Private foundations or organizations in such member countries;

7. (a) *Authorizes* the Director-General, in the case of countries whose governments are not in a position to contribute directly to the Trust Fund, to discuss with these governments other ways in which they might be able to support the Campaign;

(b) *Invites* each member country to set up or utilize appropriate national bodies to promote and coordinate the Campaign in that country;

(c) *Authorizes* the Director-General to carry on the Campaign with the funds available, in consultation with the Advisory Campaign Committee mentioned in paragraph 9 below;

8. *Authorizes* the Director-General to make preparations for a World Food Congress in 1963 just before the FAO Conference, on the 20th anniversary of the Hot Springs Conference, when the Campaign will reach its climax;

9. *Establishes* an Advisory Campaign Committee composed of the representatives of ten member countries to be designated by the Council, plus the chairmen of the Council, the Program Committee and the Finance Committee, as *ex officio* members, this Committee to serve until the Eleventh Session of the Conference with the following terms of reference:

to advise and assist the Director-General in the development of a detailed program for the Campaign, taking into account the suggestions made by the Director-General to the Tenth Session of the Conference and the observations thereon by the Conference at that Session, and to report to the Council, and to establish a sub-committee of technical and economic experts on research needs and projects under the Campaign, selected for their competence and experience in various fields of work of FAO;

10. *Authorizes* the Director-General, after consultation with the Advisory Campaign Committee, to convene such meetings of representatives of governments or of such bodies mentioned in 7(b) above as have been established, as may be considered by the Committee and the Director-General to be necessary or desirable, in order to review the progress and financial position of the Campaign;

11. *Authorizes* the Director-General to invite the non-governmental organizations specified in para. 3 sub-head (iii) to participate in an Advisory Committee of non-governmental organizations, which shall on request consult with the Director-General and with representatives of other cooperating international organizations concerning plans for the Campaign and the activities of non-governmental organizations in assisting in the Campaign, at the same time providing an opportunity for the organizations represented to consult with one another;

12. *Requests* the Director-General (a) to prepare reports to the Council concerning the detailed development of the Campaign and to present to the Conference in 1961 a detailed report on the current status of the Campaign and on proposed activities and their financial implications and (b) to include in his financial proposals to the Eleventh Session of the Conference, separate provision for such funds as he may consider necessary to meet that portion of the FAO expenses for the Campaign for the 1962/63 biennium as cannot be covered out of the Campaign Trust Fund;

13. *Requests* the Council to keep the progress of the Campaign under review, to review reports from the Advisory Campaign Committee, and from the Program and Finance Committees on the progress of the Campaign and its relation to the other work of FAO, and to present to the Conference its comments and suggestions on the further development of the Campaign.

SEATO Announces 1960–61 Research Fellowship Series

Press release 877 dated December 28

For the 4th consecutive year, the Southeast Asia Treaty Organization is offering a number of postdoctoral research fellowships to established scholars of the member states.

The object of the SEATO fellowship program is to encourage study and research of such social,

economic, political, cultural, scientific, and educational problems as give insight into the present needs and future development of the southeast Asia and southwest Pacific areas.

Grants are normally for a period of 4 to 10 months and include a monthly allowance of $400 and air travel to and from the countries of research. Candidates are selected on the basis of special aptitude and experience for carrying out a major research project. Academic qualifications, professional experience beyond graduate level, and published material are taken into account.

The competition for the awards for the 1960–61 academic year is now open. American citizens may apply to the Committee on International Exchange of Persons, Conference Board of Associated Research Councils, 2101 Constitution Ave., Washington 25, D.C. American candidates for the awards are selected by the Department of State, with SEATO selecting the final award winners.

A total of 33 awards were made during the first 3 years of the SEATO fellowship program. The member states of SEATO are Australia, France, New Zealand, Pakistan, Philippines, Thailand, the United Kingdom, and the United States.

Accomplishments of 14th Session of U.N. General Assembly

Statement by Henry Cabot Lodge
U.S. Representative to the United Nations[1]

1. From the standpoint of the tough fiber of the United Nations—of its ability to function continuously through fair weather and foul—undoubtedly the most significant accomplishment of the 14th General Assembly was the decision to continue to finance the United Nations Emergency Force,[2] which is keeping the peace in the Gaza Strip and at the entrance to the Gulf of Aqaba. The vote was actually larger than last year—a most encouraging sign of steadfastness.

This was achieved in spite of the Soviet Union's continued default on this prime obligation both of law and of honor, in spite of the strong human tendency to lose interest in something which is no longer dramatic, and in spite of the real difficulty which many states have in finding the money.

That all these factors should have been overcome is a tribute to the awareness of the United Nations that failure to continue UNEF would speedily create a dramatic—and dangerous—situation.

2. From the standpoint of the ability of the Soviet Union and the United States to reach agreement, the resolution creating the new United Nations Committee on Outer Space[3] is, I believe, the most substantial achievement in the 14 years that the United Nations has been in existence. Outer space, certainly, should be a field in which earthbound international differences are left behind and in which men work together for the common good.

It is particularly pertinent that agreement to create this Committee only came about after prolonged and arduous negotiations, showing that an efficient working arrangement between the United States and the Soviet Union will not be achieved merely by waving a wand or by wishful thinking. Only by long, hard work will such agreements be hammered out. The differences between the two nations are real differences—and not merely misunderstandings. They reflect not only such usual factors as geography and economics but, in addition, a different view of the world and of the nature of man. To bring about a relatively efficient working arrangement under such circumstances is a prickly business. But in this shrinking world the effort must be made.

3. From the standpoint of the less developed countries—and of human freedom—a very significant development was the increased money which member states have pledged to the United Nations Special Fund[4] for its second year. This is the fund which, under the direction of Paul Hoffman, makes preinvestment surveys and promotes technical education in the newly developing countries. The future of those countries, inhabited by over a billion human beings, presents a challenge even more difficult and more pressing than the Communist menace.

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[1] Released to the press following remarks made by Ambassador Lodge before the United Nations Correspondents Association on Dec. 15 (U.S. delegation press release 8349).

[2] BULLETIN of Dec. 21, 1959, p. 919.

[3] See *ibid.*, Jan. 11, 1960, p. 64.

[4] For a statement on progress of the Fund, see *ibid.*, Nov. 9, 1959, p. 689.

The money for the Fund's second year will be about 50 percent more than the $26 million which it had for its first year. Every dollar of preinvestment work by the Special Fund can pave the way for hundreds of dollars in capital investment. Thus it can give these peoples new hope that they can conquer poverty without resorting to the totalitarian methods of communism.

The increase in the Special Fund is therefore a sign that United Nations members are aware of the trend of the future.

4. From the standpoint of the future of the United Nations were decisions affecting two United Nations trust territories in Africa. Somalia will become independent on July 1, 1960. Also, the people of the British Cameroons will vote in 1960 or 1961 on which of their two neighbors they will join—Nigeria or Cameroun, both about to become independent.[5] These steps are part of the movement toward independence which is sweeping Africa and which, in 1960 alone, will bring at least four new African nations into the United Nations—and still others in succeeding years.

These new nations will not only add to the membership of the United Nations; they will also bring new viewpoints to bear on the problems of the world. For the United States, which has more people of African Negro descent in it than any other country in the world except Nigeria, this is a particularly welcome prospect.

5. Then the 14th General Assembly passed a resolution protesting the Chinese Communist wholesale murder of the people of Tibet.[6]

6. The Assembly continued to voice the protest of civilized mankind against the brutalization of Hungary—and did so by a large vote.[7]

7. Communist China was once again kept out of the United Nations.[8]

8. The Czech attempt to promote its candidacy for the 15th General Assembly by means of an Assembly resolution was defeated.

9. The Palestine refugee program, with its great expense and its many difficult problems, wa extended.[9]

10. An expert management survey of the Unite Nations Secretariat was authorized to help th Secretary-General get the maximum efficiency a the least cost. Such a "Hoover Commission" typ of operation—the first complete outside review i the Secretariat's 14-year history—is a necessity i view of the growing membership of the Unite Nations and the increased workload of the Se retariat.

11. A universal declaration on the rights c the child was adopted, reflecting concepts of huma rights held by many nations, including the Unite States.[10]

There were many other worthwhile accomplish ments, but the above were outstanding as the affect the United Nations' future and its abilit to survive and to meet its responsibilities.

General Assembly Fails To Adopt Resolution on Algeria

Statements by Henry Cabot Lodge
U.S. Representative to the General Assembly

STATEMENT OF DECEMBER 2[1]

It is evident from what has been said in th committee on the Algerian question that the exists a spirit of conciliation. Such a spirit is i dispensable to any early solution of the proble The United States welcomes this spirit.

We favor a just, peaceful, and democratic sol tion. We are anxious to see an end to violence a bloodshed. We hope that effect will be given the aspirations of the people of Algeria peaceful means.

We favor the use of every appropriate mea by those principally concerned, and early ste by them, to bring about a peaceful settlemen Clearly no solution is possible without good fai and restraint by all concerned.

A prospect for peace has been made evide

[5] For background, see *ibid.*, of Nov. 16, 1959, p. 730, and Jan. 4, 1960, p. 25.

[6] *Ibid.*, Nov. 9, 1959, p. 683.

[7] *Ibid.*, Dec. 28, 1959, p. 942.

[8] *Ibid.*, Oct. 12, 1959, p. 517.

[9] *Ibid.*, Jan. 4, 1960, p. 31.

[10] *Ibid.*, p. 34.

[1] Made in Committee I (Political and Security) (U delegation press release 3323).

But to make that prospect into a reality is not easy. The bitterness of conflict, the shadow of fear, and the gnawing worry of uncertainty all add to the inherent complexities of the problem.

On September 16 the President of the French Republic, General Charles de Gaulle, made a far-reaching and significant declaration concerning the problem of Algeria. To be sure, this statement must be read as a whole, but there are certain points which the United States believes deserve special emphasis and attention during our discussion here.

First, General de Gaulle made clear the intention of France to solve the problem of Algeria by permitting the Algerian people a free choice as to their future. The application to Algeria of the principle of self-determination was thus recognized specifically. The United States welcomed this declaration. In General de Gaulle's words: "We can now look forward to the day when the men and women of Algeria will be in a position to decide their own destiny, once and for all, freely and in the full knowledge of what is at stake."

President Eisenhower stated in his press conference on September 17:[2] "It is a far-reaching declaration, containing explicit promises of self-determination for the Algerian peoples and as such, completely in accord with our hopes to see proclaimed a just and liberal program for Algeria which we could support."

The United States was also encouraged by the responses which General de Gaulle's proposals evoked. They indicate awareness that a significant new commitment has been made—a commitment which furnishes a basis for concrete discussions.

It was in the light of General de Gaulle's historic declaration, furthermore, that Secretary of State Herter said on September 22[2] that the United States "naturally hopes that no action will be taken here which would prejudice the realization of a just and peaceful solution for Algeria such as is promised by General de Gaulle's far-reaching declaration with its provision for self-determination by the Algerian people."

To this end the United States hopes that the members of this committee will see the wisdom of avoiding a resolution which could prejudice a solution of the Algerian problem.

The speeches made here—in and of themselves—will have an effect on those principally concerned. It must also be clear that recent statements by those principally concerned offer real hope that a just, peaceful, and democratic solution can soon be found. And it must also be apparent that the sense of this debate is that those principally concerned should make early use of every appropriate means to achieve a solution.

We hope, therefore, Mr. Chairman, that these considerations will be weighed carefully before proposals are introduced and pressed to a vote. Injudicious action here risks bringing in extraneous factors which might endanger the chances for direct negotiations. At such a moment as this the utmost caution is not only warranted; it is essential.

We can understand why some delegations seek to impart further momentum to what they already admit are favorable developments. But if such members look at the present situation carefully—as they must—they will surely conclude that we are at the threshold of one of those historic occasions in which those principally concerned should be unhampered and allowed to seek direct solutions.

The United States continues to believe that in the interests of all concerned moderation, restraint, and patience should be the watchwords. It is in this spirit that the United States will conduct itself during the remainder of this debate.[3]

STATEMENT OF DECEMBER 12[4]

In my statement in committee December 2 I referred to the far-reaching and significant declaration concerning the problem of Algeria made on September 16 by General de Gaulle. I said that there are now real hopes that a just, peaceful, and democratic solution of this problem can soon be found. I then expressed the hope that the General Assembly would see the wisdom of avoiding a resolution which could prejudice the solution of the Algerian problem, emphasizing our

[2] BULLETIN of Oct. 12, 1959, p. 500.

[3] On Dec. 7 Committee I adopted by a vote of 38 to 26 (U.S.), with 17 abstentions, Resolution A/C.1/L.246, which urged "the two parties concerned to enter into *pourparlers* to determine the conditions necessary for the implementation as early as possible of the right of self-determination of the Algerian people, including conditions for a cease-fire."

[4] Made in plenary (U.S. delegation press release 3346).

belief that moderation, restraint, and patience should be the watchwords.

Guided by these considerations, we carefully examined the revised resolution on Algeria on which the General Assembly has just voted.[5] The United States did not vote in favor of this resolution, since we believe that, notwithstanding the modifications which it contains, it is not likely to be helpful in promoting an early and just solution. Moreover, this resolution also fails to take into account the most significant development on this question since it has been before the United Nations, that is, the forward-looking proposals of General de Gaulle.

This resolution, however, embodies two principles which are of fundamental importance in our history and tradition: the principle of self-determination and the principle of seeking solutions to difficult problems through peaceful means. These principles we strongly endorse.

The United States therefore abstained in the vote on this resolution.

I should like to add in closing that the United States Government reaffirms its conviction that the forward-looking declaration of General de Gaulle offers the best prospects for a peaceful, just, and democratic solution of the Algerian problem.

Freedom of Information

Statement by Christopher H. Phillips[1]

This, as you know, is my first opportunity to address the Third Committee and, may I say at the outset, a most welcome opportunity. Though my duties require me to devote most of my time to the Second Committee, I am by no means unfamiliar with the work of your committee. As the United States Representative on the Economic and Social Council, I am, of course, equally concerned with both the economic and social activities of the United Nations.

Quite frankly, we had not intended to intervene at this particular juncture in the debate. We would have preferred to hear the views of many more delegations than time has allowed thus far. We are doing so, however, because many delegations, both privately and publicly, have asked for our views and have urged us to express them at this time.

I think one of the most difficult problems involved in a consideration of freedom of information is to arrive at a meaning of freedom of information which is both precise and acceptable to all. For example, freedom of information to one may mean state control of the press, to another license, and yet to another a point somewhere in between. We have clearly seen this to be the case during the debate this year. Moreover, the course of the debate so far has revealed serious misconceptions about the U.S. attitude toward freedom of information. For this reason, I would like to devote the next few minutes to a clear exposition of our position on this complex and highly important subject.

The U.S. Position

Freedom of information in the United States is recognized as a cornerstone of liberty, as it is in every country which believes in freedom for the individual. The need to know, to be informed, is a deep-seated urge in all mankind. It is more than a need; it is a hunger for facts and ideas, a hunger for the means to think and to understand events and situations. The urge is to listen as well as to speak, to learn as well as to teach, to judge the fact as well as to plan the action. Only as men and women are able to satisfy this hunger can they feel they are valued fully as human beings. The right to know is a part of human dignity; the right to seek the truth is a foundation of human freedom.

It is for this reason that any withholding of information instantly arouses suspicion. Censorship breeds only fear and insecurity. Within nations such limitations undermine confidence; between nations they jeopardize peace. Full access to the news is the only basis on which we can hope to build strong democracies and popular understanding of and support for a strong United Nations.

[5] A revised resolution introduced by Pakistan (A/L. 276) urging "the holding of *pourparlers* with a view to arriving at a peaceful solution on the basis of the right to self-determination, in accordance with the principles of the Charter of the United Nations" failed on Dec. 12 to obtain the two-thirds majority vote necessary for adoption; the vote was 39 to 22, with 20 abstentions (U.S.).

[1] Made in Committee III (Social, Humanitarian, and Cultural) of the U.N. General Assembly on Dec. 1 (U.S. delegation press release 3321). Mr. Phillips is U.S. Representative on the U.N. Economic and Social Council.

This has been said before, but it cannot be said too often. Ignorance and false report have long been recognized as the shackles by which tyrants and dictators control the peoples under their rule. In a free society there is special cause to keep up with the course of events. Wherever the ultimate decisions rest with the people, it is obvious that intelligent decisions can be made only in the light of adequate knowledge. As a practical matter, this means full and rapid access to all possible news—in the daily press, through radio and all other media of information.

On this point Thomas Jefferson, the author of our Declaration of Independence, felt strongly on the necessity for information in a government of the people. He once wrote that if he were forced to choose between a government without newspapers, on the one hand, and newspapers without government, on the other, he would not hesitate to prefer the newspapers. Jefferson maintained this view even though he was severely criticized in the press. I need hardly point out that no United States President since that time has escaped the sharp barb of hostile press criticism and that such criticism has often been unfair and unfounded.

There can be no question of the importance the United States attaches to freedom of information. Our belief in this freedom is implicit in our system of education, in the tremendous variety of our newspapers and our broadcasting systems, our magazines, and all other media of communication. Our aim is knowledge for everyone with sources sufficient that each may seek the truth for himself. Let me stress this again. Only through sufficient sources of information can the individual be in position to decide for himself what is true. In this we believe that we are at one with all other free peoples in the United Nations.

Framework for News Media Development

There are also wide areas of agreement we share with other countries on the means by which freedom of information can be achieved. We are in agreement on the need to develop news media of all kinds; it is academic to expect adequate information in areas which lack sufficient media and opportunities for training journalists. With this in mind, the United States delegation to the last session of the Human Rights Commission cosponsored a very important resolution with Ceylon, India, Iran, Italy, Mexico, and the Philippines. This resolution requested a report from the Secretary-General which *inter alia* would review the problems encountered in providing to underdeveloped countries technical assistance in the information field. This resolution was adopted by a large majority both in the Commission and subsequently in the Council.[2] But let us not forget that there would be little point to providing media and training journalists if the free flow of information is then hampered by censorship, jamming, or other artificial barriers.

The United States attitude toward freedom of speech and press is based on constitutional guarantees which prohibit the passage of legislation infringing these rights. This is provided in the first amendment, in the section known as our Bill of Rights. It says simply that "Congress shall make no law . . . abridging the freedom of speech, or of the press . . . ." This amendment has been in force for more than 160 years. It has kept our media of information free from Government control and regulation. This is the framework in which our great newspapers and radio and television systems have developed; while they respect and conform to laws forbidding libel, obscenity, and other infringements on public order, they know that these cannot be used to justify censorship or interference in presenting facts and opinion.

You may argue that this prohibition indicates a distrust of authority. I would say quite openly that this is the case. Our feeling goes back to the days before we became an independent nation, when our newspapers often had to be licensed and were at the mercy of foreign governors. We have learned to fear any attempt, direct or indirect, to control freedom of information, lest it lead to suppression and tyranny. We have learned the hard way, if I may borrow a popular phrase, that no government, however good or highly motivated, should be trusted with power over the rights of every individual to know and to think. We have learned also the two reasons why this is so: first, that governments may change, and second, that

[2] For text of the resolution adopted on Apr. 24 in the Economic and Social Council, see U.N. doc. E/RES/718 (XXVII); for a statement made by Mr. Phillips in the ECOSOC meeting on Apr. 20, see BULLETIN of July 6, 1959, p. 26.

men may grow lazy in their own defense against authority.

It has been suggested that such freedom gives rise to abuses. Of course freedom of any kind carries with it the possibility of abuse, but this is hardly justification of denial of the freedom. We should be careful, moreover, not to confuse real abuses with the legitimate reporting of news which, though accurate, deeply offends an individual or a nation.

Admitting to the possibility of abuse under a genuinely free press, we would do well to get a real perspective on the subject. Many of the statements so far made have implied that abuses can only occur in a truly free press. This is far from the truth. Few members of this committee need be reminded that some of the most vicious abuses of information media occur under systems in which freedom of information is either rigidly controlled or nonexistent. There, through complete government monopoly of all information media, news is manipulated and the "big lie" technique employed as official government policy.

We could, of course, with considerable effectiveness, cite examples of the most extreme abuse of press media under such circumstances. But surely such tactics do not contribute to a productive consideration of the business before us. For our part, therefore, we will refrain from indulging in such tactics.

Madam Chairman, I have tried to present something of the philosophy of my Government on freedom of information. Before concluding, I wish to make a few brief remarks on the Convention on Freedom of Information now before us.[3] As all of you know, we have not in the past felt that the proposed convention is an adequate or effective means of protecting the information media of our time or of promoting the right of everyone to full and free access to the facts. We continue in this belief, because we have seen nothing to convince us to the contrary—to convince us that international legislation of this type is in fact the way to achieve progress. At the same time we are fully aware that many other delegations do not agree with us and, indeed, that they do attach the greatest importance to the adoption of this convention. Out of respect to them, I wish to assure you that my delegation will not attempt in any way to impede the progress on the convention. Moreover, because my Government attaches the greatest importance to freedom of information, my delegation will take part in the debate on each article and will, to the utmost of its ability, strive to make a constructive and valuable contribution toward reaching agreement on language acceptable to the majority.

[3] U.N. doc. A/AC.42/7, annex. Only a portion of this convention was considered in the 14th General Assembly; on Dec. 10 (A/RES/1459(XIV)) the Assembly decided "to give priority to this item at its fifteenth session."

Current U.N. Documents: A Selected Bibliography[1]

General Assembly

Question of the Frontier Between the Trust Territory of Somaliland Under Italian Administration and Ethiopia. Report of the Italian Government on the measures taken to give effect to General Assembly resolution 1345 (XIII) of 13 December 1958. A/4324. December 3, 1959. 30 pp.

The Future of the Trust Territory of the Cameroons Under United Kingdom Administration: Report of the United Nations Plebiscite Commissioner on the Plebiscite in the Northern Part of the Territory. Statement made by the U.K. representative at the 988th meeting of the Fourth Committee. A/C.4/438. December 7, 1959. 12 pp.

The Future of the Trust Territory of the Cameroons Under United Kingdom Administration: Report of the United Nations Plebiscite Commissioner on the Plebiscite in the Northern Part of the Territory. Statement made by the U.N. Plebiscite Commissioner at the 989th meeting of the Fourth Committee. A/C.4/439. December 7, 1959. 16 pp.

Economic and Social Council

Status of Women in Family Law. Report of the Secretary-General based on replies from governments to part III of the Questionnaire on the Legal Status and Treatment of Women. Addendum. E/CN.6/185/Add. 17. November 11, 1959. 31 pp.

United Nations Programme of Technical Assistance. Report of the Secretary-General on programs of technical assistance financed by the regular budget. Corrigendum. E/TAC/95/Corr. 1. November 20, 1959. 1 p.

Commission on Human Rights. National Advisory Committees on Human Rights. Note by the Secretary-General. E/CN.4/791. November 23, 1959. 4 pp.

Draft Convention and Draft Recommendation on the Age of Marriage, Consent to Marriage and Registration of Marriages. Report by the Secretary-General prepared in accordance with ECOSOC resolution 722 B (XXVIII). E/CN.6/353. November 23, 1959. 9 pp.

[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain libraries in the United States.

Commission on the Status of Women. Property Rights of Women. Supplementary report by the Secretary-General. E/CN.6/208/Add. 5. November 30, 1959. 11 pp.
Organization and Operation of the Economic and Social Council. Letter dated November 27, 1959, from the permanent representative of Mexico to the United Nations addressed to the Secretary-General. E/3310. December 2, 1959. 1 p.
Organization and Operation of the Economic and Social Council. Note by the Secretary-General. E/3311. December 2, 1959. 3 pp.

TREATY INFORMATION

U.S. and Japan Sign Treaty of Cooperation and Security

Press release 883 dated December 29

The Department of State announced on December 29 that the new Treaty of Mutual Cooperation and Security between Japan and the United States will be signed at the White House on January 19.[1] Following the signing ceremony, Prime Minister [Nobusuke] Kishi and Foreign Minister [Aiichiro] Fujiyama will meet with President Eisenhower and Secretary Herter. Prime Minister Kishi and the Japanese delegation for the signing of the new treaty will also be guests at a White House luncheon on January 19 in their honor.

During the afternoon of January 19, Prime Minister Kishi and Foreign Minister Fujiyama will meet with Secretary Herter at the Department of State.

Current Actions

MULTILATERAL

Narcotics

Protocol bringing under international control drugs outside the scope of the convention limiting the manufacture and regulating the distribution of narcotic drugs concluded at Geneva July 13, 1931 (48 Stat. 1543), as amended (61 Stat. 2230; 62 Stat. 1796). Done at Paris November 19, 1948. Entered into force December 1, 1949. TIAS 2308.
Acceptance deposited: Brazil, December 9, 1959.

[1] For a statement of Dec. 2 by President Eisenhower regarding the negotiations with Japan, see BULLETIN of Dec. 21, 1959, p. 907.

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.[1]
Accession deposited: Nicaragua, December 11, 1959.

Telecommunication

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1952 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960.
Notification of approval: Australia, November 6, 1959; Luxembourg (with reservations), October 29, 1959.

Whaling

Amendments to paragraphs 1(a), 4(1), 5, 6(3), 7(a), 16, and 17(c) of the schedule annexed to the international whaling convention of 1946 (TIAS 1849). Adopted at the 11th meeting of the International Whaling Commission, London, June 22–July 1, 1959. Entered into force October 4, 1959, with the exception of amendment to paragraph 4(1).

Wheat

International wheat agreement, 1959, with annex. Opened for signature at Washington April 6 through 24, 1959. Entered into force July 16, 1959, for part I and parts III to VIII, and August 1, 1959, for part II. TIAS 4302.
Accession deposited: El Salvador, December 15, 1959.
Notification received December 29, 1959, from United Kingdom of application to: Isle of Man and the Bailiwick of Guernsey.

BILATERAL

Korea

Agreement amending the agricultural commodities agreement of June 30, 1959 (TIAS 4256). Effected by exchange of notes at Seoul October 12 and December 11, 1959. Entered into force December 11, 1959.

Philippines

Agreement relating to the relinquishment of Olongapo and adjacent areas, with annex. Effected by exchange of notes at Manila December 7, 1959. Entered into force December 7, 1959.

Uruguay

Agreement supplementing the agricultural commodities agreement of February 20, 1959, as supplemented (TIAS 4179, 4238, and 4356), with exchange of notes. Signed at Montevideo December 1, 1959. Entered into force December 1, 1959.

DEPARTMENT AND FOREIGN SERVICE

Designations

Charles N. Spinks as Director, Office of Research and Analysis for Asia, effective December 22.

[1] Not in force.

Appointment of Political Adviser to High Commissioner of Ryukyus

Press release 870 dated December 22

The Departments of State and Defense on December 22 announced the establishment of the office of Political Adviser to the High Commissioner of the Ryukyu Islands, Lt. Gen. Donald P. Booth.

Byron E. Blankinship, a career Foreign Service officer and heretofore the American consul general at Naha in the Ryukyus, has been appointed to the new position. Mr. Blankinship will assume his new duties on January 1, 1960.

The new office has been established as the outgrowth of lengthy discussions between the Departments of State and Defense. The consul general at Naha has hitherto acted concurrently as foreign relations consultant to the High Commissioner. The new arrangement divorces the senior representative of the Secretary of State in the Ryukyus from consular duties and permits him to devote full time to the responsibilities of this new office. The American consular unit at Naha will continue to perform the normal functions of a U.S. consular post.

The assignment of a political adviser to top-level Defense Department officials elsewhere in the world has proved effective in insuring the closest possible working relationship between the Departments of State and Defense in areas where activities of the latter Department directly affect the conduct of U.S. foreign relations.

The Ryukyu Islands constitute one of the most important strategic outposts in the interlocking system of the free world's defenses. The treaty of peace with Japan[1] gave to the United States the right to exercise all and any powers of administration, legislation, and jurisdiction over these islands.

In his Executive order of June 5, 1957,[2] the President delegated this authority to the Secretary of Defense, on whose behalf the High Commissioner directs and heads the civil administration of the area. In the same Executive order the President also charged the Secretary of State with the responsibility for the conduct of relations with foreign countries and international organizations with respect to the Ryukyus. The political adviser will serve as the field representative of the Secretary of State in the discharge of this responsibility and will provide ready access for the High Commissioner to the worldwide facilities of the diplomatic and consular services of the Department of State.

[1] For text, see BULLETIN of Aug. 27, 1951, p. 349.

[2] For text, see *ibid.*, July 8, 1957, p. 55.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Air Traffic Control Services—Birkenfeld High Altitude Facility. TIAS 4330. 6 pp. 5¢.

Agreement between the United States of America and the Federal Republic of Germany. Signed at Bonn October 1, 1959. Entered into force October 1, 1959.

Surplus Agricultural Commodities. TIAS 4331. 2 pp. 5¢

Agreement between the United States of America and Pakistan, amending agreement of November 26, 1958, as amended. Exchange of notes—Signed at Karachi October 7 and 8, 1959. Entered into force October 8, 1959

Interchange of Patent Rights and Technical Information for Defense Purposes—Filing Classified Patent Applications. TIAS 4332. 7 pp. 10¢.

Agreement between the United States of America and the Netherlands. Exchange of notes—Signed at The Hague October 8, 1959. Entered into force October 8, 1959.

Surplus Agricultural Commodities. TIAS 4333. 3 pp. 5¢

Agreement between the United States of America and the United Arab Republic, amending agreement of December 24, 1958, as supplemented and amended. Exchange of notes—Signed at Cairo October 14, 1959. Entered into force October 14, 1959.

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876	12/28	U.S.–Spain joint communique (printed in BULLETIN of Jan. 11).
877	12/28	SEATO fellowships.
878	12/28	U.S.–Morocco joint communique (printed in BULLETIN of Jan. 11).
879	12/29	Visit of Spanish Foreign Minister.
880	12/29	Thayer: AETA and Speech Association of America.
881	12/29	Additional trade liberalization by France.
*882	12/29	Delegates to Cameroun independence ceremonies and inauguration of President Tubman of Liberia.
883	12/29	Announcement of treaty signing with Japan.
884	12/29	Reply to Soviet experts in Geneva technical group.
†885	12/30	IJC report on Columbia River Basin.
886	12/30	Five-power communique on disarmament committee (printed in BULLETIN of Jan. 11).
887	12/31	Herter: "The Outlook for 1960 in Foreign Affairs."

*Not printed.
†Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

Bulletin

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January 25, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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The State of the Union

ADDRESS OF THE PRESIDENT TO THE CONGRESS[1]

Mr. President, Mr. Speaker, Members of the 86th Congress, My Fellow Citizens:

Seven years ago I entered my present office with one long-held resolve overriding all others. I was then, and remain now, determined that the United States shall become an ever more potent resource for the cause of peace—realizing that peace cannot be for ourselves alone, but for peoples everywhere. This determination is, I know, shared by the entire Congress—indeed, by all Americans.

My purpose today is to discuss some features of America's position, both at home and in her relations to others.

First, I point out that for us, annual self-examination is made a definite necessity by the fact that we now live in a divided world of uneasy equilibrium, with our side committed to its own protection and against aggression by the other.

With both sections of this divided world in possession of unbelievably destructive weapons, mankind approaches a state where mutual annihilation becomes a possibility. No other fact of today's world equals this in importance—it colors everything we say, plan, and do.

There is demanded of us vigilance, determination, and the dedication of whatever portion of our resources that will provide adequate security, specially provide a real deterrent to aggression. These things we are doing.

All these facts emphasize the importance of striving incessantly for a just peace.

Only through the strengthening of the spiritual, intellectual, economic, and defensive resources of the free world can we, in confidence, make progress toward this goal.

Second, we note that recent Soviet deportment and pronouncements suggest the possible opening of a somewhat less strained period in the relationships between the Soviet Union and the rest of the world. If these pronouncements be genuine, there is brighter hope of diminishing the intensity of past rivalry and eventually of substituting persuasion for coercion. Whether this is to become an era of lasting promise remains to be tested by actions.

Third, we now stand in the vestibule of a vast new technological age—one that, despite its capacity for human destruction, has an equal capacity to make poverty and human misery obsolete. If our efforts are wisely directed—and if our unremitting efforts for dependable peace begin to attain some success—we can surely become participants in creating an age characterized by justice and rising levels of human well-being.

Over the past year the Soviet Union has expressed an interest in measures to reduce the common peril of war.

While neither we nor any other free world nation can permit ourselves to be misled by pleasant promises until they are tested by performance, yet we approach this apparently new opportunity with the utmost seriousness. We must strive to break the calamitous cycle of frustrations and crises which, if unchecked, could spiral into nuclear disaster; the ultimate insanity.

Though the need for dependable agreements to assure against resort to force in settling disputes is apparent to both sides yet as in other issues dividing men and nations, we cannot expect

[1] H. Doc. 241, 86th Cong., 2d sess. President Eisenhower read a slightly condensed version of the message before a joint session of the Congress on Jan. 7.

sudden and revolutionary results. But we must find some place to begin.

One obvious road on which to make a useful start is in the widening of communication between our two peoples. In this field there are, both sides willing, countless opportunities—most of them well known to us all—for developing mutual understanding, the true foundation of peace.

Another avenue may be through the reopening, on January 12, of negotiations looking to a controlled ban on the testing of nuclear weapons. Unfortunately, the closing statement from the Soviet scientists who met with our scientists at Geneva gives the clear impression that their conclusions have been politically guided.[2] Those of the British and American scientific representatives are their own freely formed, individual and collective opinions. I am hopeful that, as new negotiations begin, truth—not political opportunism—will guide the deliberations.

Still another field may be found in the field of disarmament, in which the Soviets have professed a readiness to negotiate seriously.[3] They have not, however, made clear the plans they may have, if any, for mutual inspection and verification—the essential condition for any extensive measure of disarmament.

There is one instance where our initiative for peace has recently been successful. A multilateral treaty [4] signed last month provides for the exclusively peaceful use of Antarctica, assured by a system of inspection. It provides for free and cooperative scientific research in that continent, and prohibits nuclear explosions there pending general international agreement on the subject. I shall transmit its text to the Senate for consideration and approval in the near future. The treaty is a significant contribution toward peace, international cooperation, and the advancement of science.

The United States is always ready to participate with the Soviet Union in serious discussion of these or any other subjects that may lead to peace with justice.

Certainly it is not necessary to repeat that the United States has no intention of interfering in the internal affairs of any nation; by the same token we reject any attempt to impose its system on us or on other peoples by force or subversion.

This concern for the freedom of other peoples is the intellectual and spiritual cement which has allied us with more than 40 other nations in a common defense effort. Not for a moment do we forget that our own fate is firmly fastened to that of these countries; we will not act in any way which would jeopardize our solemn commitments to them.

We and our friends are, of course, concerned with self-defense. Growing out of this concern is the realization that all people of the free world have a great stake in the progress, in freedom, of the uncommitted and newly emerging nations. These peoples, desperately hoping to lift themselves to decent levels of living must not, by our neglect, be forced to seek help from, and finally become virtual satellites of, those who proclaim their hostility to freedom.

Their natural desire for a better life must not be frustrated by withholding from them necessary technical and investment assistance. This is a problem to be solved not by America alone, but also by every nation cherishing the same ideals and in position to provide help.

In recent years America's partners and friends in Western Europe and Japan have made great economic progress. Their newly found economic strength is eloquent testimony to the striking success of the policies of economic cooperation which we and they have pursued.

The international economy of 1960 is markedly different from that of the early postwar years. No longer is the United States the only major industrial country capable of providing substantial amounts of the resources so urgently needed in the newly developing countries.

To remain secure and prosperous themselves wealthy nations must extend the kind of cooperation to the less fortunate members that will inspire hope, confidence, and progress. A rich nation can for a time, without noticeable damage to itself, pursue a course of self-indulgence, making its single goal the material ease and comfort of its own citizens—thus repudiating its own spiritual and material stake in a peaceful and prosperous society of nations. But the enmities it will incur, the isolation into which it will descend, and

[2] For a U.S. reply to a statement of the Soviet delegation, see BULLETIN of Jan. 18, 1960, p. 78.

[3] For text of a communique issued by the Foreign Ministers of Canada, France, Italy, the United Kingdom, and the United States at Paris on Dec. 21, see *ibid.*, Jan. 11, 1960, p. 45.

[4] For text, see *ibid.*, Dec. 21, 1959, p. 912.

the internal moral, spiritual, economic, and political softness that will be engendered, will, in the long term, bring it to disaster.

America did not become great through softness and self-indulgence. Her miraculous progress and achievements flow from other qualities far more worthy and substantial—

Adherence to principles and methods consonant with our religious philosophy;
A satisfaction in hard work;
The readiness to sacrifice for worthwhile causes;
The courage to meet every challenge;
The intellectual honesty and capacity to recognize the true path of her own best interests.

To us and to every nation of the free world, rich or poor, these qualities are necessary today as never before if we are to march together to greater security, prosperity, and peace.

I believe the industrial countries are ready to participate actively in supplementing the efforts of the developing nations to achieve progress.

The immediate need for this kind of cooperation is underscored by the strain in our international balance of payments. Our surplus from foreign business transactions has in recent years fallen substantially short of the expenditures we make abroad to maintain our military establishments overseas, to finance private investment, and to provide assistance to the less developed nations. In 1959 our deficit in balance of payments approached $4 billion.

Continuing deficits of anything like this magnitude would, over time, impair our own economic growth and check the forward progress of the free world.

We must meet this situation by promoting a rising volume of exports and world trade. Further, we must induce all industrialized nations of the free world to work together to help lift the scourge of poverty from less fortunate nations. This will provide for better sharing of this burden and for still further profitable trade.

New nations, and others struggling with the problems of development, will progress only, regardless of any outside help, if they demonstrate faith in their own destiny and possess the will and use their own resources to fulfill it. Moreover, progress in a national transformation can be only gradually earned; there is no easy and quick way to follow from the ox cart to the jet plane. But, just as we drew on Europe for assistance in our earlier years, so now do those new and emerging nations that have this faith and determination deserve help.

Over the last 15 years, 20 nations have gained political independence. Others are doing so each year. Most of them are woefully lacking in technical capacity and in investment capital; without free-world support in these matters they cannot effectively progress in freedom.

Respecting their need, one of the major focal points of our concern is the south Asian region. Here, in two nations alone, are almost 500 million people, all working, and working hard, to raise their standards, and, in doing so, to make of themselves a strong bulwark against the spread of an ideology that would destroy liberty.

I cannot express to you the depth of my conviction that, in our own and free-world interests, we must cooperate with others to help these people achieve their legitimate ambitions, as expressed in their different multiyear plans. Through the World Bank and other instrumentalities, as well as through individual action by every nation in position to help, we must squarely face this titanic challenge.

All of us must realize, of course, that development in freedom by the newly emerging nations, is no mere matter of obtaining outside financial assistance. An indispensable element in this process is a strong and continuing determination on the part of these nations to exercise the national discipline necessary for any sustained development period. These qualities of determination are particularly essential because of the fact that the process of improvement will necessarily be gradual and laborious rather than revolutionary. Moreover, everyone should be aware that the development process is no short-term phenomenon. Many years are required for even the most favorably situated countries.

I shall continue to urge the American people, in the interests of their own security, prosperity, and peace, to make sure that their own part of this great project be amply and cheerfully supported. Free-world decisions in this matter may spell the difference between world disaster and world progress in freedom.

Other countries, some of which I visited last month,[5] have similar needs.

[5] BULLETIN of Dec. 28, 1959, p. 931, and Jan. 11, 1960, p. 46.

A common meeting ground is desirable for those nations which are prepared to assist in the development effort. During the past year I have discussed this matter with the leaders of several western nations.

Because of its wealth of experience, the Organization for European Economic Cooperation could help with initial studies needed.[6] The goal is to enlist all available economic resources in the industrialized free world—especially private investment capital. But I repeat that this help, no matter how great, can be lastingly effective only if it is used as a supplement to the strength of spirit and will of the people of the newly developing nations.

By extending this help we hope to make possible the enthusiastic enrollment of these nations under freedom's banner. No more startling contrast to a system of sullen satellites could be imagined. If we grasp this opportunity to build an age of productive partnership between the less fortunate nations and those that have already achieved a high state of economic advancement, we will make brighter the outlook for a world order based upon security, freedom, and peace. Otherwise, the outlook could be dark indeed. We face what may be a turning point in history, and we must act decisively.

As a nation we can successfully pursue these objectives only from a position of broadly based strength.

No matter how earnest is our quest for guaranteed peace, we must maintain a high degree of military effectiveness at the same time we are engaged in negotiating the issue of arms reduction. Until tangible and mutually enforceable arms reduction measures are worked out, we will not weaken the means of defending our institutions.

America possesses an enormous defense power. It is my studied conviction that no nation will ever risk general war against us unless we should be so foolish as to neglect the defense forces we now so powerfully support. It is worldwide knowledge that any nation which might be tempted today to attack the United States, even though our country might sustain great losses, would itself promptly suffer a terrible destruction. But I once again assure all peoples and all nations that the United States, except in defense, will never turn loose this destructive power.

During the past year our long-range striking power, unmatched today in manned bombers, has taken on new strength as the Atlas intercontinental ballistic missile has entered the operational inventory. In 14 recent test launchings, at ranges of over 5,000 miles, Atlas has been striking on an average within 2 miles of the target. This is less than the length of a jet runway—well within the circle of total destruction. Incidentally, there was an Atlas firing last night. From all reports so far received, its performance conformed to the high standards I have described. Such performance is a great tribute to American scientists and engineers, who in the past 5 years have had to telescope time and technology to develop these long-range ballistic missiles, where America had none before.

This year, moreover, growing numbers of nuclear-powered submarines will enter our active forces, some to be armed with Polaris missiles. These remarkable ships and weapons, ranging the oceans, will be capable of accurate fire on targets virtually anywhere on earth. Impossible to destroy by surprise attack, they will become one of our most effective sentinels for peace.

To meet situations of less than general nuclear war, we continue to maintain our carrier forces, our many service units abroad, our always ready Army strategic forces and Marine Corps divisions, and the civilian components. The continuing modernization of these forces is a costly but necessary process, and is scheduled to go forward at a rate which will steadily add to our strength.

The deployment of a portion of these forces beyond our shores, on land and sea, is persuasive demonstration of our determination to stand shoulder-to-shoulder with our allies for collective security. Moreover, I have directed that steps be taken to program our military assistance to these allies on a longer range basis. This is necessary for a sounder collective defense system.

Next I refer to our program in space exploration which is often mistakenly supposed to be an integral part of defense research and development.

We note that, first, America has made great contributions in the past 2 years to the world's fund of knowledge of astrophysics and space science. These discoveries are of present interest chiefly to the scientific community; but they are

[6] For text of a communique issued by the Western heads of government at Paris on Dec. 21, see *ibid.*, Jan. 11, 1960, p. 43.

important foundation stones for more extensive exploration of outer space for the ultimate benefit of all mankind.

Second, our military missile program, going forward so successfully, does not suffer from our present lack of very large rocket engines, which are so necessary in distant space exploration. I am assured by experts that the thrust of our present missiles is fully adequate for defense requirements.

Third, the United States is pressing forward in the development of large rocket engines to place vehicles of many tons into space for exploration purposes.

Fourth, in the meantime, it is necessary to remember that we have only begun to probe the environment immediately surrounding the earth. Using launch systems presently available, we are developing satellites to scout the world's weather; satellite relay stations to facilitate and extend communications over the globe; for navigation aids to give accurate bearings to ships and aircraft; and for perfecting instruments to collect and transmit the data we seek. This is the area holding the most promise for early and useful applications of space technology.

Fifth, we have just completed a year's experience with our new space law. I believe it deficient in certain particulars and suggested improvements will be submitted to the Congress shortly.

The accomplishment of the many tasks I have alluded to requires the continuous strengthening of the spiritual, intellectual, and economic sinews of American life. The steady purpose of our society is to assure justice, before God, for every individual. We must be ever alert that freedom does not wither through the careless amassing of restrictive controls or the lack of courage to deal boldly with the giant issues of the day.

A year ago, when I met with you, the Nation was emerging from an economic downturn, even though the signs of resurgent prosperity were not then sufficiently convincing to the doubtful. Today our surging strength is apparent to everyone; 1960 promises to be the most prosperous year in our history.

Yet we continue to be afflicted by nagging disorders.

Among current problems that require solution participated in by citizens as well as Government are—

The need to protect the public interest in situations of prolonged labor-management stalemate;

The persistent refusal to come to grips with a critical problem in one sector of American agriculture;

The continuing threat of inflation, together with the persisting tendency toward fiscal irresponsibility;

In certain instances the denial to some of our citizens of equal protection of the law.

Every American was disturbed by the prolonged dispute in the steel industry and the protracted delay in reaching a settlement.

We are all relieved that a settlement has at last been achieved in that industry. Percentagewise, by this settlement the increase to the steel companies in employment costs is lower than in any prior wage settlement since World War II. It is also gratifying to note that despite the increase in wages and benefits several of the major steel producers have announced that there will be no increase in steel prices at this time. The national interest demands that in the period of industrial peace which has been assured by the new contract, both management and labor make every possible effort to increase efficiency and productivity in the manufacture of steel so that price increases can be avoided.

One of the lessons of this story is that the potential danger to the entire Nation of longer and greater strikes must be met. To insure against such possibilities we must of course depend primarily upon the good commonsense of the responsible individuals. It is my intention to encourage regular discussions between management and labor outside the bargaining table, to consider the interest of the public as well as their mutual interest in the maintenance of industrial peace, price stability, incentive for continuous investment, and economic growth. Both the Executive and the Congress will, I know, be watching developments with keenest interest.

To me, it seems almost absurd that the United States should recognize the need, and so earnestly to seek, for cooperation among the nations unless we can achieve voluntary, dependable, abiding cooperation among the important segments of our own free society. Without such cooperation we cannot prosper.

Failure to face up to basic issues in areas other than those of labor-management can cause serious

strains on the firm freedom supports of our society.

Agriculture is one of these areas.

Our basic farm laws were written 27 years ago, in an emergency effort to redress hardship caused by a worldwide depression. They were continued—and their economic distortions intensified—during World War II in order to provide incentives for production of food needed to sustain a war-torn world.

Today our farm problem is totally different. It is that of effectively adjusting to the changes caused by a scientific revolution. When the original farm laws were written, an hour's farm labor produced only one-fourth as much wheat as at present. Farm legislation is woefully out of date, ineffective, and expensive.

For years we have gone on with an outmoded system which not only has failed to protect farm income, but also has produced soaring, threatening surpluses. Our farms have been left producing for war while America has long been at peace.

Once again I urge Congress to enact legislation that will gear production more closely to markets, make costly surpluses more manageable, provide greater freedom in farm operations, and steadily achieve increased net farm incomes.

Another issue that we must meet squarely is that of living within our means. This requires restraint in expenditure, constant reassessment of priorities, and the maintenance of stable prices.

To do so we must prevent inflation. Here is an opponent of so many guises that it is sometimes difficult to recognize. But our clear need is to stop continuous and general price rises—a need that all of us can see and feel.

To prevent steadily rising costs and prices calls for stern self-discipline by every citizen. No person, city, State, or organized group can afford to evade the obligation to resist inflation, for every single American pays its crippling tax.

Inflation's ravages do not end at the water's edge. Increases in prices of the goods we sell abroad threaten to drive us out of markets that once were securely ours. Whether domestic prices, so high as to be noncompetitive, result from demands for too-high profit margins or from increased labor costs that outrun growth in productivity, the final result is seriously damaging to the Nation.

We must fight inflation as we would a fire that imperils our home. Only by so doing can we prevent it from destroying our salaries, savings, pensions, and insurance, and from gnawing away the very roots of a free, healthy economy and the Nation's security.

One major method by which the Federal Government can counter inflation and rising prices is to insure that its expenditures are below its revenues. The debt with which we are now confronted is about $290 billion. With interest charges alone now costing taxpayers about $9½ billion, it is clear that this debt growth must stop. You will be glad to know that despite the unsettling influences of the recent steel strike, we estimate that our accounts will show, on June 30, this year, a favorable balance of approximately $200 million.

I shall present to the Congress for 1961 a balanced budget. In the area of defense, expenditures continue at the record peacetime levels of the last several years. With a single exception, expenditures in every major category of health, education, and welfare will be equal or greater than last year. In space expenditures the amounts are practically doubled. But the overall guiding goal of this budget is national need—not response to specific group, local or political insistence.

Expenditure increases, other than those I have indicated, are largely accounted for by the increased cost of legislation previously enacted. I repeat, this budget will be a balanced one. Expenditures will be $79,800 million. The amount of income over outgo described in the budget as a surplus to be applied against our national debt is $4,200 million.

Personally, I do not feel that any amount can be properly called a surplus as long as the Nation is in debt; I prefer to think of such an item as a reduction of our children's inherited mortgage. And once we have established such payments as normal practices we can profitably make improvements in our tax structure and thereby truly reduce the heavy burdens of taxation. In any event this one reduction will save taxpayers each year approximately $200 million in interest costs.

This favorable balance will help ease pressures in our credit and capital markets. It will enhance the confidence of people all over the world in the strength of our economy and our currency

and in our individual and collective ability to be fiscally responsible.

In the management of the huge public debt the Treasury is unfortunately not free of artificial barriers. Its ability to deal with the difficult problems in this field has been weakened greatly by the unwillingness of the Congress to remove archaic restrictions. The need for a freer hand in debt management is even more urgent today because the costs of the undesirable financing practices which the Treasury has been forced into are mounting. Removal of this roadblock has high priority in my legislative recommendations.

Still another issue relates to civil rights measures.

In all our hopes and plans for a better world we all recognize that provincial and racial prejudices must be combatted. In the long perspective of history, the right to vote has been one of the strongest pillars of a free society. Our first duty is to protect this right against all encroachment. In spite of constitutional guarantees, and notwithstanding much progress of recent years, bias still deprives some persons in this country of equal protection of the laws.

Early in your last session I recommended legislation which would help eliminate several practices discriminating against the basic rights of Americans. The Civil Rights Commission has developed additional constructive recommendations. I hope that these will be among the matters to be seriously considered in the current session. I trust that Congress will thus signal to the world that our Government is striving for equality under law for all our people.

Each year and in many ways our Nation continues to undergo profound change and growth.

In the past 18 months we have hailed the entry of two more States of the Union—Alaska and Hawaii. We salute these two western stars.

Our vigorous expansion, which we all welcome as a sign of health and vitality, is many-sided. We are, for example, witnessing explosive growth in metropolitan areas.

By 1975 the metropolitan areas of the United States will occupy twice the territory they do today. The roster of urban problems with which they must cope is staggering. They involve water supply, cleaning the air, adjusting local tax systems, providing for essential educational, cultural, and social services, and destroying those conditions which breed delinquency and crime.

In meeting these, we must, if we value our historic freedoms, keep within the traditional framework of our Federal system with powers divided between the National and State Governments. The uniqueness of this system may confound the casual observer, but it has worked effectively for nearly 200 years.

I do not doubt that our urban and other perplexing problems can be solved in the traditional American method. In doing so we must realize that nothing is really solved, indeed ruinous tendencies are set in motion by yielding to the deceptive bait of the "easy" Federal tax dollar.

Our educational system provides a ready example. All recognize the vital necessity of having modern school plants, well-qualified and adequately compensated teachers, and of using the best possible teaching techniques and curriculums.

We cannot be complacent about educating our youth. But the route to better trained minds is not through the swift administration of a Federal hypodermic or sustained financial transfusion. The educational process, essentially a local and personal responsibility, cannot be made to leap ahead by crash, centralized governmental action.

The administration has proposed a carefully reasoned program for helping eliminate current deficiencies. It is designed to stimulate classroom construction, not by substitution of Federal dollars for State and local funds, but by incentives to extend and encourage State and local efforts. This approach rejects the notion of Federal domination or control. It is workable, and should appeal to every American interested in advancement of our educational system in the traditional American way. I urge the Congress to take action upon it.

There is one other subject concerning which I renew a recommendation I made in my state of the Union message last January.[7] I then advised the Congress of my purpose to intensify our efforts to replace force with a rule of law among nations. From many discussions abroad, I am convinced that purpose is widely and deeply shared by other peoples and nations of the world.

In the same message I stated that our efforts would include a reexamination of our own relation to the International Court of Justice. The Court was established by the United Nations to decide

[7] *Ibid.*, Jan. 26, 1959, p. 115.

international legal disputes between nations. In 1946 we accepted the Court's jurisdiction, but subject to a reservation of the right to determine unilaterally whether a matter lies essentially within domestic jurisdiction. There is pending before the Senate a resolution which would repeal our present self-judging reservation.[8] I support that resolution and urge its prompt passage. If this is done, I intend to urge similar acceptance of the Court's jurisdiction by every member of the United Nations.

Here perhaps it is not amiss for me to say a personal word to the Members of the Congress, in this my final year of office, a word about the institutions we respectively represent and the meaning which the relationships between our two branches has for the days ahead.

I am not unique as a President in having worked with a Congress controlled by the opposition party—except that no other President ever did it for quite so long. Yet in both personal and official relationships we have weathered the storms of the past 5 years. For this I am deeply grateful.

My deep concern in the next 12 months, before my successor takes office, is with our joint congressional-executive duty to our own and to other nations. Acting upon the beliefs I have expressed here today, I shall devote my full energies to the tasks at hand, whether these involve travel for promoting greater world understanding, negotiations to reduce international discord, or constant discussions and communications with the Congress and the American people on issues both domestic and foreign.

In pursuit of these objectives, I look forward to, and shall dedicate myself to, a close and constructive association with the Congress.

Every minute spent in irrelevant interbranch wrangling is precious time taken from the intelligent initiation and adoption of coherent policies for our national survival and progress.

We seek a common goal—brighter opportunity for our own citizens and a world peace with justice for all.

Before us and our friends is the challenge of an ideology which, for more than four decades, has trumpeted abroad its purpose of gaining ultimate victory over all forms of government at variance with its own.

We realize that however much we repudiate the tenets of imperialistic communism, it represents a gigantic enterprise. Its leaders compel its subjects to subordinate their freedom of action and spirit and personal desires for some hoped-for advantage in the future.

The Communists can present an array of material accomplishments over the past 15 years that lends a false persuasiveness to many of their glittering promises to the uncommitted peoples.

The competition they provide is formidable. We so recognize it.

But in our scale of values we place freedom first. Our whole national existence and development have been geared to that basic concept and is responsible for the position of free-world leadership to which we have succeeded. It is the highest prize that any nation can possess; it is one that communism can never offer. And America's record of material accomplishment in freedom is written not only in the unparalleled prosperity of our own Nation, but in the many billions we have devoted to the reconstruction of free-world economies wrecked by World War II and in the effective help of many more billions we have given in saving the independence of many others threatened by outside domination. Assuredly we have the capacity for handling the problems in the new era of the world's history we are now entering.

But we must use that capacity intelligently and tirelessly, regardless of personal sacrifice.

The fissure that divides our political planet is deep and wide.

We live, moreover, in a storm of semantic disorder in which old labels no longer faithfully describe.

Police states are called "people's democracies."

Armed conquest of free people is called "liberation."

Such slippery slogans make difficult the problem of communicating true faith, facts, and beliefs.

We must make clear our peaceful intentions, our aspirations for a better world. To do so, we must use language to enlighten the mind, not as the instrument of the studied innuendo and distorter of truth.

And we must live by what we say.

On my recent visit to distant lands I found one statesman after another eager to tell me of

[8] For background, see p. 128.

the elements of their government that had been borrowed from our American Constitution, and from the indestructible ideals set forth in our Declaration of Independence.

As a nation we take pride that our own constitutional system, and the ideals which sustain it have been long viewed as a fountainhead of freedom.

By our every word and action we must strive to make ourselves worthy of this trust, ever mindful that an accumulation of seemingly minor encroachments upon freedom gradually could break down the entire fabric of a free society.

So persuaded, we shall get on with the task before us.

So dedicated, and with faith in the Almighty, humanity shall one day achieve the unity in freedom to which all men have aspired from the dawn of time.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 7, 1960.*

President Eisenhower To Visit South America

White House Statement

White House press release dated January 6

The President, accompanied by Mrs. Eisenhower, plans to visit Brazil, February 23–26; Argentina, February 26–29; Chile, February 29–March 2; and Uruguay, March 2–3; with brief stops in Puerto Rico.

The President, in visiting the four southernmost countries of our neighboring continent, is partially fulfilling his long-held desire personally to travel in South America, to meet the people, and to renew friendships with the leaders of the nations so closely allied with the United States in the Organization of American States. The President hopes that his visit will serve two purposes:

Publicly reflect his deep interest in all the countries of the New World, and

Encourage further development of the inter-American system, not only as a means of meeting the aspirations of the peoples of the Americas but also as a further example of the way all peoples may live in peaceful cooperation.

United States and Soviet Union Exchange New Year Greetings

White House (Augusta, Ga.) press release dated January 4

The White House on January 4 made public the following exchange of messages between the President and Nikita S. Khrushchev, Chairman of the Council of Ministers, and Kliment Efremovich Voroshilov, Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

The President to Mr. Khrushchev and Mr. Voroshilov

JANUARY 2, 1960

On behalf of the American people, I thank you for your kind New Year's message. I share the hope which you have expressed for a further improvement in the relations between our two countries. The United States seeks the achievement of a just and lasting peace in a world where all questions are settled by peaceful means alone. I can assure you that my Government will continue its best efforts to reach that goal. Please accept my good wishes for you and your families and the people of the Soviet Union for the coming year.

DWIGHT D. EISENHOWER

Mr. Khrushchev and Mr. Voroshilov to the President

DECEMBER 31, 1959

On the eve of the New Year we send to you, Mr. President, and to the people of the United States of America sincere greetings and best wishes from the peoples of the Soviet Union and from ourselves personally. It is possible to note with deep satisfaction that in the past year there were undertaken joint efforts in the search of ways for closer relations of our States, for ensurance of such a situation in which the unresolved international questions would be decided by peaceful means only. Entering the New Year, we would like to hope sincerely that these joint efforts will guarantee a new triumph of reason, and that a start will be made to solve the most important problem of our times—the general and complete disarmament and the liberation of mankind from the burden of armament.

Let this New Year be the year of a further improvement in the relations between our countries. The realization of this hope which is so dear to the hearts of both the Soviet and American peoples would undoubtedly bring nearer the time when, thanks to the efforts of both countries, the relations between them could be built on the foundation of enduring friendship and mutually advantageous cooperation for the good of our nations, for the

good of peace in the entire world. It is exactly in this way that we evaluate the meaning of exchange visits by the leading statesmen of both countries. These meetings make it possible to ensure that historical turning point in the relations between our countries, as well as in the international situation as a whole, which leads to the deliverance of all people from the dread of a new war.

With best wishes for happiness and health to you personally and to your entire family.

N. KHRUSHCHEV
K. VOROSHILOV

United States and Netherlands Hold Civil Aviation Consultation

Press release 3 dated January 6

The following statement was issued jointly by the Department of State and the Netherlands Embassy at Washington on January 6.

A civil aviation consultation between representatives of the Governments of the United States and the Netherlands will begin in Washington on January 7 to consider the request of the Netherlands Government for a route authorizing air services between the Netherlands and Los Angeles. The request for the consultation was made several months ago by the Netherlands Government.

Under the existing Air Transport Services Agreement of April 1957,[1] KLM Royal Dutch Airlines operates on separate routes to New York and Houston from the Netherlands and to Miami and New York from the Netherlands Antilles. United States airlines are authorized to operate to Amsterdam, Surinam, the Netherlands Antilles and beyond to points in third countries.

The Netherlands Delegation is headed by Mr. E. G. Stijkel, State Secretary for Transport and Waterways. Other members of the Delegation are: Mr. H. J. Spanjaard, Director of Civil Aviation, Ministry of Transport and Waterways; Dr. J. C. Kruisheer, Economic Minister, Netherlands Embassy; Mr. J. C. Nieuwenhuysen, Deputy Transportation Adviser, Ministry of Foreign Affairs; Mr. F. J. H. Barend, Representative of the Government of Surinam; Mr. E. D. Baiz, Representative of the Government of the Netherlands Antilles; Dr. L. H. Slotemaker, Executive Vice President, KLM Royal Dutch Airlines; Mr. M. Mourik, Second Commercial Secretary, Netherlands Embassy.

The United States Delegation is headed by Mr. Laurence C. Vass, Director, Office of Transport and Communications, Department of State. Other members of the Delegation are: Mr. G. Joseph Minetti, Member, Civil Aeronautics Board; Mr. Bradley D. Nash, Deputy Under Secretary for Transportation, Department of Commerce; Mr. Theodore Hardeen, Jr., Administrator, Defense Air Transportation Administration, Department of Commerce (Alternate); Mr. Joseph C. Watson, Associate Director, Bureau of Air Operations, Civil Aeronautics Board; Mr. James C. Haahr, Chief, Air Transport Relations, Aviation Division, Department of State; Mr. Robert M. Beaudry, Economic Officer, Swiss-Benelux Affairs, Office of Western European Affairs, Department of State; Mr. William Klima, International Division, Civil Aeronautics Board; Mr. Paul Reiber, Air Transport Association (Observer).

[1] For text, see BULLETIN of May 6, 1957, p. 747.

President de Gaulle To Visit U.S.

White House press release dated January 6

The White House announced on January 6 that the President of the Republic of France, General Charles de Gaulle, will pay a state visit to the United States during the spring. It is planned that President de Gaulle will arrive at Washington from Canada on April 22 and remain there until April 25. Thereafter, he will spend a day in New York City and will complete his visit by spending approximately 3 days in other cities in the United States. The exact itinerary has not yet been developed.

President Eisenhower is particularly pleased that he will have the opportunity of receiving President de Gaulle in Washington not only to renew his friendship with his comrade-in-arms and friend but also to have the occasion officially of receiving the Chief of State of the nation which is the oldest ally and friend of our country.

Canadian–United States Cooperation for Peace

by Richard B. Wigglesworth
Ambassador to Canada[1]

Il me fait un grand plaisir d'être ici aujourd'hui, et je vous remercie de votre aimable invitation. Je suis très heureux d'être à Montréal et d'avoir le privilège de rencontrer les membres de votre Club et leurs amis.

J'ai eu l'occasion pendant les derniers mois de voyager quelques 25,000 milles en terre canadienne d'un océan à l'autre, de rencontrer un grand nombre de vos concitoyens et de me familiariser avec vos traditions, vos aspirations, et vos convictions.

What I have learned from my travels in Canada has impelled me inevitably to reflect on the closeness between Canadian aims and the aims of my own country.

Our relationship prompts me to discuss today some aspects of Canadian–United States cooperation for peace. I do so because the nature of this cooperation is, I think, often obscured. It is obscured on the one hand by platitudes and on the other by the very complexities of security in the modern world. The result is a lack of appreciation of its unique character and the circumstances that brought it about.

Were I an historian I probably would start with the Rush-Bagot agreement of 1818, which freed our Great Lakes of warships. And I would give considerable attention to World War I and the contribution our two countries made to turning back that onslaught against our security.

I shall limit myself, however, to the last quarter of a century. I shall do so because it seems to me that our joint response to the dangers of these years has been different both in degree and in kind from the alliances and pacts that we find as a general rule in the history of international relations.

The old saying that "the enemy of my enemy is my friend" is of course totally inadequate to describe the depth and strength that characterize our cooperation. I am not concerned with the superficial similarities or differences that one may find between us and between our countries. I speak of something more profound. I would like to outline the cooperation between our countries during the past 25 years and to emphasize its significance to the security of the free world.

Response to Fascism

Fascism, the first of the two great challenges of the past 25 years, took the form of military aggression.

Though the Fascists used the tools of propaganda and the "big lie" with a thoroughness never before witnessed, our danger was a familiar one. We were faced, for the most part, with a classic war of men, maneuver, and materiel. No matter how hard or how costly the effort required of us, we understood immediately the kind of response the threat dictated. Only by war could fascism take our freedom.

We shared an enemy, and we shared a continent. That alone was enough to insure unity of action. We also shared the raw materials and the industrial capacity with which to build the complex machinery of modern war. And we sensed that if we did not put these resources together to a degree never before known in international affairs, our efforts might be not only inefficient but not enough.

Our joint action was possible only because we

[1] Address made before the Montreal Canadian Club, Montreal, Canada, on Dec. 14.

had shared many years of mutual respect and good faith as well. Anyone who looked for pillboxes along our common border would have known that.

The conviction that North America is more than a geographic concept did not grow overnight. Throughout the thirties, as foreign places many of our people had never heard of—Manchuria, Ethiopia, the Sudetenland, Danzig—took over the front pages of our newspapers, the idea slowly and spontaneously spread.

I think particularly of President Roosevelt's address at Chautauqua, New York, on August 14, 1936:

> Our closest neighbors are good neighbors. If there are remoter nations that wish us not good but ill, they know that we are strong; they know that we can and will defend ourselves and defend our neighborhood.

Or the President's words at Kingston, Ontario, on August 18, 1938:

> I give to you assurance that the people of the United States will not stand idly by if domination of Canadian soil is threatened by any other empire.

I also think of an address by Prime Minister Mackenzie King at Woodbridge, Ontario, on August 20, 1938:

> We too have our obligations as a good friendly neighbor, and one of these is to see that, at our own instance, our country is made as immune from attack or possible invasion as we can reasonably be expected to make it, and that, should the occasion ever arise, enemy forces should not be able to pursue their way either by land, sea or air, to the United States across Canadian territory.

This growing awareness of our common danger and our common responsibilities led to our first great joint decision. I quote from the Ogdensburg agreement of August 18, 1940:[2]

> The Prime Minister and the President have discussed the mutual problems of defense in relation to the safety of Canada and the United States.
>
> It has been agreed that a Permanent Joint Board on Defense shall be set up at once by the two countries.
>
> This Permanent Joint Board on Defense shall commence immediate studies relating to sea, land, and air problems including personnel and matériel.
>
> It will consider in the broad sense the defense of the north half of the Western Hemisphere.

This Permanent Joint Board was from the beginning an unqualified success. As you know, it still contributes greatly to the cooperation between our two countries in respect to the defense of the North American Continent.

The second great step in this period of our common efforts, the Hyde Park declaration of April 20, 1941,[3] was in a sense even more far reaching than the decision at Ogdensburg. I quote from it here because it illustrates the degree of cooperation which we were to attain:

> Among other important matters, the President and the Prime Minister discussed measures by which the most prompt and effective utilization might be made of the productive facilities of North America for the purposes both of local and hemisphere defense and of the assistance which in addition to their own programs both Canada and the United States are rendering to Great Britain and the other democracies.
>
> It was agreed as a general principle that in mobilizing the resources of this continent each country should provide the other with the defense articles which it is best able to produce, and, above all, produce quickly, and that production programs should be coordinated to this end.

It would serve no useful purpose to discuss World War II in any detail today. Many of you were in that war and remember well the first desperate years, then the great sweeps of the Allied armies, the ever-increasing flow of men and materiel, the billions in aid to our Allies from our two countries, and the victories that followed.

It is possible that some of you were among those Canadians who received parachute training at Fort Benning, Georgia. Or perhaps you were in Manitoba teaching United States soldiers the techniques of fighting in cold weather. Perhaps you flew fighter cover for our Flying Fortresses, or it may be that as you moved north in Italy you had close air support from United States airmen.

And I would remind you that when Pearl Harbor was attacked there were more than 16,000 United States citizens in Canadian uniform. And, strange as it may seem, by the time the United States had declared war on Japan, Canada had already done so.

The Ogdensburg agreement acknowledged our responsibilities to each other. As we disbanded our armies after the war and reconverted our factories to peacetime production we recognized new responsibilities. Our world grew smaller; our obligations grew greater. Our vigorous adherence to the charter of the United Nations is proof of our acceptance of these new responsibilities and of our allegiance to free men everywhere.

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[2] For text, see BULLETIN of Aug. 24, 1940, p. 154.

[3] For text, see *ibid.*, Apr. 26, 1941, p. 494.

Military Response to Communist Imperialism

The second great danger of our time—international communism—became a reality in the years after the war. One aspect only of this new threat to the free world was military, but that aspect had to be faced first. We could not build for a world of free men without insuring that men would be free.

Our two Governments decided that it would be unwise to destroy the coordination we had so carefully built, but they recognized that this coordination had a wider frame of reference. I quote from a joint statement of February 12, 1947,[4] released simultaneously in Ottawa and Washington:

> In the interest of efficiency and economy, each Government has decided that its national defense establishment shall, to the extent authorized by law, continue to collaborate for peacetime joint security purposes. . . .
>
> It has been the task of the Governments to assure that the close security relationship between Canada and the United States in North America will in no way impair but on the contrary will strengthen the cooperation of each country within the broader framework of the United Nations.

I do not recall that this statement received very much attention at the time. After all, the deadliest war in history was barely over. The world had surely learned, at least for a time, the disastrous consequences of aggression.

But it was an uneasy time. For example, why would an ally, presumably grateful for Canadian assistance, operate a spy ring in Canada? Was the Communist coup in Czechoslovakia really a domestic issue of no consequence to the rest of the world? Were the outlaws who sought to overrun the mainland of China really only peaceful agrarian reformers?

Then came the Berlin blockade.

Even the most wishful thinkers were forced to concede that the free world was faced again with possible disaster. The new threat demanded a whole series of new responses. In the military sphere they followed one another in quick sequence.

To counter the threat of armed aggression in Europe, the North Atlantic Treaty Organization was born. To counter the Communist invasion of South Korea a United Nations military force was formed for the first time in history, to protect a nation from aggression.

[4] For text, see *ibid.*, Feb. 23, 1947, p. 361.

It is unnecessary to dwell upon the Korean war. Our wounds are too fresh and our memories too full. But when we remember the cost in blood and treasure of that action, we must also remember its purpose and the result. More than 9 years after the invasion began, the Republic of Korea is still free.

The war also reinforced a lesson we had learned the hard way. The troops which invaded Manchuria fought on to Nanking, Singapore, and the Aleutians. The troops that marched into the Rhineland marched on to Paris, Athens, and Stalingrad. But the Communists who invaded south Korea have not fought their way to Australia or Japan, or to British Columbia or California.

We stood together, and under the flag of the United Nations we fought together. We were determined and united.

Surely others, too, learned a lesson from Korea. It is not likely that our determination to defend the free world will again be taken lightly.

But before this bitter war was over, North America itself faced the threat of aggression. The possibility of bombers from across the Arctic was no longer merely a classroom exercise in military theory.

Our joint response was the Pinetree Line, the Mid-Canada Line, the Distant Early Warning Line, and finally, on August 1, 1957, the announcement, already communicated to NATO, that Canada and the United States planned to operate their systems of air defense under an integrated joint command responsible to the Chiefs of Staff of both countries.[5]

We now know this command as NORAD—the North American Air Defense Command—and I regret that it is impossible for all the citizens of both our countries to visit its headquarters at Colorado Springs and its ever-ready fighting units across this continent and at sea. It is a splendid example of our cooperation at the service level.

To speak of NORAD today is to speak of a force of over 200,000 men, not to mention their equipment and augmentation forces. It is a compliment to the quiet efficiency of NORAD under the leadership of our General [Laurence S.] Kuter and your Air Marshal [Charles R.] Slemon that so many of us take it for granted.

[5] For text of joint statement, see *ibid.*, Aug. 19, 1957, p. 306.

What air defense did we have 10 years ago? One radar squadron and two gun battalions, according to General Kuter. A far cry from the radar, supersonic interceptors, the surface-to-air missiles, and the electronic computers that guard us today.

We hope the effectiveness of NORAD is never tested in battle. We shall never know to what degree its strength has already deterred the ambitions of those who might otherwise have been tempted to try to destroy us.

But jet aircraft and the BOMARC are no match for intercontinental ballistic missiles. Nor are they supposed to be. Will NORAD, then, as some say, soon outlive its usefulness?

I am not a military expert; so I will let an expert speak for me. General Kuter addressed the NATO Parliamentarians Conference in Washington a few weeks ago. I quote:

> Let me say here that we believe that the manned bomber will be a serious threat for a long time to come.
>
> We are told that the missile will ultimately become the primary threat, but even so it will be a mixed threat, and the bomber will still be used against pinpoint or hardened targets, for mopup operations, or for a variety of situations which demand human intelligence and judgment on the spot.
>
> We are also convinced that the subsonic attack—on the deck—at very low altitude—will remain a threat indefinitely.

But when the day does come that intercontinental missiles are the primary threat, will NORAD be helpless to deal with them? What is being done to insure that we can defend ourselves and strike back? I quote once more from General Kuter's address:

> Another major area in which we are now working is that of defense against missiles.
>
> We are installing now in the far north a missile warning system entitled the "Ballistic Missile Early Warning System"—short title, BMEWS.
>
> These are enormous fan-beam radars which will give us not only warnings but an approximate idea of a missile impact area.
>
> We are working vigorously in perfecting an antimissile missile. . . . And we have every confidence that free-world scientific and military capability is more than a match for anything communism may throw at us.
>
> That is why we believe that when the missile becomes an operational threat in significant numbers we will have a system to counteract it. The stakes are too high to fail now.

Speaking also at the same NATO Parliamentarians Conference Admiral [Jerauld] Wright, the NATO Atlantic commander,[6] emphasized the vital importance of the military task which confronts us today as partners and allies. He stressed the fact that there are three basic defense tasks which must be accomplished by NATO:

1. the defense of Europe;
2. the defense of North America;
3. the defense of the Atlantic.

No one of these, he said, can be defended in isolation:

> Europe could not be defended without the retaliatory capability and the logistic and military reinforcement capacity of North America.
>
> The defense of North America would be made immeasurably more difficult if Europe should fall.
>
> And neither could be defended if we lost control of our trans-Atlantic lines of sea communication between the two.

"Our basic and fundamental military task," he added, "is the *prevention* of war by our *strength*: strength to retaliate and strength to defend."

Before I end my discussion of our responses to the military threat posed by international communism, I should like to say a few words about one of the means of our defense that weighs heavily on us all—nuclear weapons. I think it might be useful to begin with an examination of the circumstances that require our possession of these weapons.

Shortly after their meeting in Paris in December 1957, the NATO Heads of Government issued a communique, from which I quote:[7]

> The Soviet leaders, while preventing a general disarmament agreement, have made it clear that the most modern and destructive weapons, including missiles of all kinds, are being introduced in the Soviet armed forces. In the Soviet view, all European nations except the U.S.S.R. should, without waiting for general disarmament, renounce nuclear weapons and missiles and rely on arms of the pre-atomic age.
>
> As long as the Soviet Union persists in this attitude, we have no alternative but to remain vigilant and to look to our defences. We are therefore resolved to achieve the most effective pattern of NATO military defensive strength, taking into account the most recent developments in weapons and techniques.

At that meeting the Heads of Government

[6] For an announcement of the designation of Adm Robert L. Dennison to succeed Admiral Wright as Supreme Allied Commander, Atlantic, see *ibid.*, Jan. 11, 1960, p. 45.

[7] For text, see *ibid.*, Jan. 6, 1958, p. 12.

agreed that the overwhelming numerical superiority of the Soviet armed forces—better than 80 Russian divisions directly facing Western Europe—required that the NATO shield forces have a nuclear capability.

Accordingly a series of agreements was concluded under the terms of which weapons capable of carrying nuclear warheads were made available to certain NATO countries. The warheads, which would be used only to meet aggression, remained in the custody of the United States. When the North Atlantic Council announced the conclusion of these agreements on May 7, 1959,[8] it specifically quoted from the North Atlantic Council's communique of May 3 two years before.[9] I quote:

> Pending an acceptable agreement on disarmament, no power can claim the right to deny to the Alliance the possession of the modern arms needed for its defence. If, however, the fears professed by the Soviet Union are sincere, they could be readily dissipated. All that is needed is for the Soviet Union to accept a general disarmament agreement embodying effective measures of control and inspection within the framework of the proposals made on numerous occasions by the Western Powers, which remain an essential basis of their policy.

The Communists have tried to convince us that should we disarm unilaterally there would be no tension between them and the free world. They are right; there would be no free world.

It is clear, I think, no matter how profound our regret, that we must maintain a nuclear deterrent until a nuclear deterrent is no longer required. We have no choice. Thus, to give NATO's defense posture both breadth and flexibility, it was necessary to arm our shield forces with nuclear-capable weapons.

Nevertheless, in so arming our forces, it was also necessary to observe our obligation to reason and to humanity, to inhibit any increase in the number of holders of the warheads themselves. This obligation is embodied in an act of the United States Congress.[10] I do not think any reasonable man underestimates the danger this law sought to minimize.

How much greater the danger under which we live would become if 10 or 50 nations had nuclear weapons for use as they chose. To have them ready for defensive use and to insure that their use will be for defense only presents a dilemma we can ignore only at our peril. I submit that the solution we have found for our dilemma is a wise one. The free world has the necessary military strength today.

Speaking in this connection about a year ago President Eisenhower stated,[11] "As of today [we have the necessary power to] present to any potential attacker who would unleash war upon the world the prospect of virtual annihilation of his country." And he added, "Every informed government knows this. It is no secret." This military strength has preserved the peace of the world in recent years.

It is of course our deepest wish that all nations may disarm, but disarmament is not a one-way street. It is possible only in the event of effective international inspection and control. While there is a mailed fist anywhere, the free world must continue to bear the necessary armor. If we have it, we may not need it. If we need it and do not have it, we shall never need it again.

Economic Cooperation for Peace

I have emphasized the vital importance of Canadian–United States cooperation to the defense of the free world. I believe, however, I would leave an unbalanced picture if I did not at least briefly touch on a no less vital element in maintaining peace. That element is free-world economic cooperation.

Military strength alone will not achieve our objectives. Much more is required to end the cold war and to build the international understanding and confidence essential to world peace.

Millions of people in Asia and Africa are today struggling to throw off the yoke of poverty and misery under which they have existed so long. Some of them are determined to attain a better standard of living, cost what it may—even, if necessary, at the expense of freedom.

If freedom, security, and world peace are to be realized, the reasonable aspirations of these people must be furthered. The offensive must be maintained against hunger, disease, and privation.

The United States, Canada, and the free world took the initiative in this field long before the Communists had ever thought of a foreign aid

[8] *Ibid.*, May 25, 1959, p. 739.
[9] For text, see *ibid.*, May 27, 1957, p. 840.
[10] Atomic Energy Act of 1954, as amended.
[11] BULLETIN of Jan. 27, 1958, p. 115.

program. We are fighting these ancient miseries which offer such fertile ground for communism's favorite technique of political subversion and economic penetration.

Aid alone will not bring the victory over poverty and hunger. People must have within their own hands the means of self-support in dignity and freedom. This can be assured only if the world's trade is founded on principles which promote expansion and provide opportunity. Canada and the United States have led the world toward these principles ever since the end of World War II.

The freedom preserved through defensive strength must not be lost to ignorance and hunger. Yes, we have guns for the defense of the free world, but we also have engineers, technicians, and surgeons, and food, and the certainty that all men wish to be free. And we are determined through understanding and cooperation to build lasting confidence and friendship which are so vital in this troubled world.

The Future

We have come a long way since the agreement at Ogdensburg. The world has changed and with it our responsibilities have changed—our responsibilities to ourselves and to all those who respect the charter of the United Nations.

But some things have not changed. When I mentioned a few minutes ago some of the things we share, my list was incomplete. I left out perhaps the most important things of all: the belief that peace and freedom are possible for all men and the hope that the door to peace and freedom may be opened as a result of our strength in cooperation.

My travels and observations during the past year have served to underline for me the great contribution which the cooperation between our two nations has made to the peace and security of the free world. They have also served to underline the vital importance of our continued cooperation for peace in the period which lies ahead.

May I add that what we have done for ourselves we have done for all free men. And what we have done for the security of the free world we have done for ourselves.

There is still much to do. Perhaps there always will be. But I am sure we will do it together. If we do not, it will not be done at all.

To paraphrase the words of your distinguished Prime Minister [John George Diefenbaker] at ceremonies in Prince Albert which I was privileged to attend: The price of peace is cooperation and the prize of cooperation is peace.

IJC Reports on Development of Columbia River Basin

Press release 885 dated December 30

The Department of State announced on December 30 that the International Joint Commission has submitted to the Governments of the United States and Canada its report on "principles for determining and apportioning benefits from cooperative use of storage of waters and electrical interconnection within the Columbia River system." The report was made public on December 30 at Washington and Ottawa.

In January 1959 the two Governments requested the Commission to make a special report on the determination and allocation of benefits which might result from the cooperative development of the Columbia River system with particular regard to electrical generation and flood control.[1]

In receiving the report the Department of State expressed appreciation for the constructive efforts of the members of the International Joint Commission and the fact that the Commission was able to reach agreement on its recommendations. The Acting Chairman of the U.S. Section is Eugene W. Weber, and the Chairman of the Canadian Section is Gen. A.G.L. McNaughton. The other Canadian Commissioners are Donald L. Stephen of Winnipeg and Lucien Dansereau of Montreal. The other U.S. Commissioner is Francis Adams. The Department of State recalled the contribution which the late Gov. Douglas McKay made to the Commission's work as Chairman of the U.S. Section.

The Commission's report is now under study by appropriate officials in the U.S. and Canadian Governments with a view to its usefulness as guidelines in negotiation of an agreement covering specific projects and cooperative arrangements in the Columbia River Basin. After consultation with the appropriate congressional committees the Department of State will consult further

[1] BULLETIN of Feb.16, 1959, p. 243.

with the Canadian Department of External Affairs concerning the commencement of treaty negotiations.

A similar announcement was made simultaneously at Ottawa.

U.S. and Mexican Officials Discuss Control of Illegal Drug Traffic

Following is the text of a joint communique released at Washington on January 5 at the conclusion of a 2-day meeting of delegations from Mexico and the United States.

Press release 2 dated January 5 (revised)

In view of the fact that illicit production, traffic and use of narcotic drugs constitutes a world problem as well as a problem which affects Mexico and the United States alike and upon the invitations of the United States, delegations of the Governments of the United States and Mexico met in Washington, D.C., on January 4 and 5, 1960, to explore, informally, ways and means of intensifying the campaign against illicit traffic in narcotics in accordance with existing international treaties and the domestic legislation of the two countries. It was agreed that this campaign offers a most fruitful opportunity for international cooperation as is explicit in international treaties on narcotics to which both countries are parties and in their membership in the United Nations Commission on Narcotic Drugs. It was also agreed that, in the spirit of mutual understanding and respect which characterizes the friendly relations of the two countries, the two Governments would continue to make their best efforts to find appropriate measures to combat more effectively the traffic in illegal drugs, in addition to the implementation of provisions of international treaties on the subject that each Government is observing to the best of its ability.

In this connection the Chief of the American Delegation stated that his Government is prepared to offer its facilities in the training of personnel and the use of scientific and technical equipment, if the Mexican Government should so desire.

On this basis each delegation stated their conviction that their Governments would continue to encourage closer cooperation between Federal, State and municipal officials of the two countries who are engaged in the fight against the nefarious activities of narcotic criminals in the two countries. It was noted that the general public is frequently unaware of the operations of competent authorities in the narcotics field because of the necessarily confidential nature of enforcement methods.

There was complete recognition that the drug traffic between the two countries involves the illicit production, distribution or transit of narcotic drugs in Mexico and the illegal sale and use of or addiction to those drugs in the United States. In this connection the Chief of the Mexican Delegation called attention to the fact that since 1947 a national campaign has been carried out in Mexico with the cooperation of all levels of government to combat the illicit cultivation, traffic or transportation of narcotic drugs. The Chief of the American Delegation commented that the United States has increased the number of customs and narcotics agents in the areas near the border and is prepared to enter into a cooperative training program for the enforcement agents of both countries.

The members of both Delegations stressed the need for continuous public enlightenment regarding the seriousness of the drug problem, especially in areas of widespread addiction, and the importance of wholehearted support of the people in supporting such measures as have a reasonable likelihood of eliminating the violators of narcotics laws—the perpetrators of the most abominable crime against the health and welfare of our communities.

Mexican Delegation:

Lic. Oscar Rabasa, Chief of Delegation, Director in Chief for American Affairs and the Foreign Service, Ministry for Foreign Relations, and Permanent Representative of Mexico to the United Nations Commission on Narcotics

Lic. Juan Barona Lobato, Assistant to the Attorney General of Mexico

Lic. Santiago Ibañez Llamas, Chief Inspector of Immigration, Ministry of the Interior

Lic. Francisco Alfaro S., Chief of Legal Department, Ministry of Health and Assistance

Lic. José Luis Laris, Secretary to Delegation, First Secretary of Embassy, Mexican Embassy, Washington, D.C.

United States Delegation:

Myles Ambrose, Chief of Delegation, Assistant to the Secretary for Law Enforcement, Department of the Treasury

Chester A. Emerick, Deputy Commissioner of Customs, Investigations, Department of the Treasury
Henry L. Giordano, Deputy Commissioner of Narcotics, Department of the Treasury
John S. Hoghland, 2d, Deputy Assistant Secretary of State for Congressional Relations, Department of State
Robert F. Hale, Consul General, American Consulate General, Tijuana, Mexico
Melville E. Osborne, Officer in Charge, Mexican Affairs, Department of State
Elwyn F. Chase, Jr., Office of International Economic and Social Affairs, Department of State

U.S. Congressmen James Roosevelt and Joe Holt from the State of California attended and participated in the discussions held in Washington.

THE CONGRESS

President Expresses Views on World Court and Disarmament

Following is an exchange of letters between President Eisenhower and Senator Hubert H. Humphrey which was made public by Senator Humphrey on November 27.

PRESIDENT EISENHOWER TO SENATOR HUMPHREY

AUGUSTA, GEORGIA
November 17, 1959

DEAR SENATOR HUMPHREY: I write now in further reply to your letter of October 21, 1959.

One of the great purposes of this Administration has been to advance the rule of law in the world, through actions directly by the United States Government and in concert with the governments of other countries. It is open to us to further this great purpose both through optimum use of existing international institutions and through the adoption of changes and improvements in those institutions.

Timely consideration by the United Nations of threatening situations, in Egypt in 1956, in Lebanon in 1958, and in Laos in 1959, has made an important contribution to the preservation of international peace and security. The continued development of mutual defense and security arrangements among the United States and a large number of free-world countries has provided a powerful deterrent against international lawbreaking. One cannot, however, be satisfied with the way events have developed in some areas—for example, Hungary, and Tibet. The international community needs to find more effective means to cope with and to prevent such brutal uses of force.

One of the principal efforts of the United States in the last half dozen years has been to devise effective means for controlling and reducing armaments. Success in this quest will bring greater security to all countries and lift the threat of devastating nuclear conflict. In order to make progress toward the goal of complete and general disarmament expressed in the United Nations resolution [1] recently sponsored by the United States and the other members of the General Assembly, this Government has followed the policy of seeking reliable international agreements on manageable segments of the whole arms problem. I am hopeful that the current Geneva negotiations on discontinuance of nuclear weapons tests will produce agreement.[2] A resulting treaty would, of course, be submitted to the Senate.

Next year the United States will be participating in further disarmament efforts to be undertaken by a group of ten nations which will, as appropriate, report on its progress to the United Nations Disarmament Commission and General Assembly.[3] The best and most carefully elaborated disarmament agreements are likely to carry with them some risks, at least theoretically, of evasion. But one must ponder, in reaching decisions on the very complex and difficult subject of arms control, the enormous risks entailed if reasonable steps are not taken to curb the international competition in armaments and to move effectively in the direction of disarmament.

As you know from my message to the Congress on the State of the Union in January 1959,[4] and

[1] For text, see BULLETIN of Nov. 23, 1959, p. 766.
[2] For a statement by the chairman of the U.S. delegation, see *ibid.*, Jan. 18, 1960, p. 79.
[3] For background, see *ibid.*, Jan. 11, 1960, p. 45.
[4] *Ibid.*, Jan. 26, 1959, p. 115.

from expressions by the Vice President,[5] the Secretary of State,[6] and the Attorney General,[7] the Administration is anxious to contribute to the greater effectiveness of the International Court of Justice. The Administration supports elimination of the automatic reservation to the Court's jurisdiction by which the United States has reserved to itself the right to determine unilaterally whether a subject of litigation lies essentially within domestic jurisdiction. I intend, therefore, on an appropriate occasion, to re-state to the Congress my support for the elimination of this reservation. Elimination of this automatic reservation from our own declaration accepting compulsory jurisdiction would place the United States in a better position to urge other countries to agree to wider jurisdiction of the International Court of Justice.

I appreciate having your views on this vitally important subject.

Sincerely,

DWIGHT D. EISENHOWER

The Honorable HUBERT H. HUMPHREY
United States Senate
Washington, D.C.

SENATOR HUMPHREY TO PRESIDENT EISENHOWER

OCTOBER 21, 1959

The PRESIDENT
The White House
Washington, D.C.

DEAR MR. PRESIDENT: In your State of the Union Message on January 9, 1959, you declared it to be your purpose to intensify our efforts to the end that the rule of law may replace the obsolete rule of force in the affairs of nations. In particular, you advised the Congress to expect a more specific proposal from you, dealing with the problem of our relationship to the International Court of Justice. Subsequently, the Vice President and the Attorney General have delivered important addresses stating your concern with this problem.

Along with many other members of Congress in both parties, I was delighted to note this emphasis on a program of strengthening the Court. An American initiative along this line would, I know, be welcome throughout the world.

In selecting for first attention the problem of the American relationship to the Court itself, you have I believe, made a wise judgment. In particular, the reservation to ourselves of the right to determine whether a case lies within our domestic jurisdiction, should be eliminated as soon as possible. Since reservations of any party automatically accrue to its adversary, this reservation probably will be used against our interests more frequently than it is used in our behalf.

I should like to say, Mr. President, that the initiatives you have taken toward the establishment of an international rule of law are most welcome. They have my wholehearted support, and, I am confident, the support of most members of the Congress.

Senate Resolution 94[8] supports your position in this matter. The State Department has advised the Foreign Relations Committee that it is in agreement with this Resolution. There is considerable support among members of the Foreign Relations Committee for this step toward greater participation in the Court, but there is a general feeling, which I share, that since you have indicated a desire to speak further on this subject, final action should be held in abeyance pending your message.

I regret very much that the first session of the present Congress has adjourned without receiving your message on this important subject.

I respectfully urge you to give this further consideration. I hope that you will, either in your next State of the Union message or in a special communication, advise us of the broad policies which guide the United States Government in its efforts to establish a rule of law in the world, and also describe the specific measures which Congress should pass to aid in accomplishing this general purpose. Since Senate Resolution 94 is now widely understood and has been fully discussed in the press, and since the withdrawal of the self-judgement aspect of the domestic jurisdiction reservation is an obvious first step, I hope your message will contain a plea for the early passage of Senate Resolution 94.

The enunciation of general principles of long range foreign policy are most useful. The public acceptance of these broad principles will be bolstered by concrete proposals. It is with this in mind that I have introduced Senate Resolution 94, which is admittedly only a very small step toward the greater common goal which we share. With your support I am confident that the Senate will accept this measure, and we will then be able to look toward the further establishment of what our late Secretary of State, John Foster Dulles, called "institutions of peace."

Advocacy of measures looking toward the establishment of a just and lasting peace has always been urgent. It is

[5] *Ibid.*, May 4, 1959, p. 622.
[6] *Ibid.*, Feb. 23, 1959, p. 255.
[7] *Ibid.*, Sept. 14, 1959, p. 379.

[8] S. Res. 94 calls for U.S. renunciations of the right to declare an international legal dispute as "essentially domestic" and for acceptance of World Court jurisdiction in such disputes regarding interpretation of treaties, any questions of international law, breaches of international obligation, and reparations.

particularly urgent now, after the recent visit of the Soviet Chairman, to make it doubly clear to the entire world that, while we shall strive mightily for a peaceful resolution of Soviet–U.S. differences, our goal has not shifted toward a two-power world; rather we continue to look resolutely toward an international system in which the rights of all nations will be respected, regardless of size or military power.

An American expression of confidence in the Court at this time, would be of tremendous value and I hope you will find an early occasion to express your personal support of legislation to make our American membership in the Court what it should be.

Respectfully yours,

HUBERT H. HUMPHREY

Secretary Sends Report to Congress on East-West Center in Hawaii

Following is the text of a letter from Secretary Herter transmitting to the Congress a report on "A Plan for the Establishment in Hawaii of a Center for Cultural and Technical Interchange Between East and West," [1] *together with the text of chapter 6, "Summary of Proposals and Estimates."*

LETTER OF TRANSMITTAL

DECEMBER 31, 1959

DEAR MR. VICE PRESIDENT: [2] I transmit herewith, pursuant to the provisions of Chapter VI of the Mutual Security Act of 1959, a Report describing a Plan and Program for the Establishment and Operation in Hawaii of a Center for Cultural and Technical Interchange Between East and West.

The report presents both the role which such a Center could have in relations between the United States and the nations of Asia and the Pacific and the problems and needs involved in its establishment. Attention is called especially to the problem of Federal assistance, as described on Pages 11 and 18.

It is not considered that funds available under the Mutual Security Act of 1954, as amended, may be used for construction and operating costs of the Center.

With warmest personal regards,

Most sincerely,

CHRISTIAN A. HERTER

Enclosures: Report entitled "A Plan for the Establishment in Hawaii of a Center for Cultural and Technical Interchange Between East and West", dated December 30, 1959.

THE VICE PRESIDENT
United States Senate.

SUMMARY OF PROPOSALS AND ESTIMATES

An International Center, as proposed, concentrating on Asian and Pacific affairs and established in connection with the University of Hawaii could make a valuable contribution to the programs of the United States for the promotion of international educational, cultural, and related activities.

1. In keeping with the views of the Hawaiian Community Advisory Committee, it should consist of two principal units, to be maintained, staffed, and operated by the University. These units would consist of (1) an International College offering academic programs and related services and (2) an International Training Center providing facilities for on-the-job, in-service, or field training. The principal officers of the Center would be the Director, the Dean of the International College, and the Director of the Training Center. The Director of the International Center would report directly to the President of the University.

2. To initiate a program for such a Center would require the provision as soon as possible of adequate housing and related facilities; its expansion would have to be commensurate with the growth of such facilities.

3. During the first three years, scholarships for students from Asian and Pacific areas as well as for those of the United States should be provided, and also grants for outstanding scholars, scientists, and other specialists and men of leadership in order to strengthen the program of the Center and demonstrate its potentialities.

4. The facilities, services, and resources of the Center should be made available at reasonable cost to all qualified students, scholars, agencies and institutions interested in participating in its programs.

[1] A limited number of copies of the report are available upon request from the Office of Public Services, Department of State, Washington 25, D.C.

[2] An identical letter, with a copy of the report, was sent to the Speaker of the House of Representatives.

5. Appropriate advisory committees should be established to assure adequate liaison and policy and program guidance from the viewpoint of the participating or sponsoring agencies and institutions.

6. To carry out such a Plan would require special financial support, that is, support from sources other than and in addition to the Government and University of Hawaii.

7. Such special financial support, it is estimated, would amount to $8,300,000. This would be distributed as follows: (*a*) a contribution to initial building costs; and during the first three years: (*b*) contributions toward operational expenses, (*c*) scholarships for 225 Asian and Pacific students and 75 American students, (*d*) grants to outstanding Asian, Pacific, and American scholars and other leaders, and (*e*) advisory services. (For detailed figures, see Appendix 7.) [3]

8. Regarding the possibility of special financial support from the Federal Government, no specific provision has been made for these needs in the budget for 1961. The Plan for the Center as it materializes can be called to the attention of agencies of the Government planning programs which might make use of available facilities. Some support for the Center might be possible also to the extent that it could be derived from grants available under programs authorized by general legislation. Thus, the University might further explore the possibilities of obtaining assistance for the necessary building under the loan program of the Housing and Home Finance Agency or under programs of assistance to educational institutions, like those currently proposed in H.R. 4267 or S. 1017, 86th Congress, First Session, 1959. For scholarships, fellowships, and other similar payments to or for students and other individuals, grants could be sought under the regular programs for which the Congress appropriates funds as authorized by the U.S. Information and Educational Exchange Act of 1948, as amended; Title III of Chapter II of the Mutual Security Act of 1954; the National Defense Education Act; and other Acts cited specifically or in general terms in the legislation which has authorized this Report.

[3] Not printed here.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

The Task of Peaceful Cooperation

Remarks by George N. Shuster [1]

Mr. Chairman, having listened with great interest to the resolution [2] presented by the distinguished delegate from the Soviet Union [N. M. Sissakian] and also to his remarks, I feel it incumbent upon me to make a statement somewhat more lengthy than would otherwise be the case. I should like to begin by recalling UNESCO's first meeting in this city, when a truly great man, whose life has been given to the cause of peace and upon whose body then lay a weariness born of duress in concentration camps, rose to express the hopes which were in all our hearts at that time, namely, that our joint victory would usher in freedom and a decent measure of human understanding. That man was Léon Blum, and I should like to dedicate to the memory of this son of France what I shall now say. My comment will be, of necessity, in a measure a response to my colleague of the Soviet Union but will also be, I fondly trust, something more than that.

Certainly no men desired more ardently peaceful and fruitful relations with the people of Russia than did Americans of my generation. We had been reared and we lived in the spirit of Tolstoy and Dostoevski, the two greatest masters of the human mind of their age and still among the oracles of our own. They seem to me far more important than sputniks and fleets of jet planes. How could anyone doubt that a people from which such men arose is a mighty people fed by the springs of both East and West? Why

[1] Made on Dec. 2 before the 55th meeting of the Executive Board of the United Nations Educational, Scientific and Cultural Organization, which met at Paris Nov. 24–Dec. 4. Dr. Shuster, who is president of Hunter College, was chairman of the U.S. delegation.

[2] UNESCO doc. 55 EX/DR.1/Rev. The Soviet resolution called for (1) a study of the needs of underdeveloped countries in the fields of education, science, and culture and (2) "a radical improvement of UNESCO's activities for consolidating peace and implementing the principles of peaceful co-existence."

should we not always have lamented the barriers which, during a long and evil time, made the Volga and Neva alien streams for us? It is, in retrospect, unfortunate that the Soviet Union was not present at the earlier conference of UNESCO, despite earnest and repeated requests from the Government of the United States. I note with very great satisfaction that there has been a change of climate, and I wish to take full cognizance of this before proceeding to be rather critical of the resolution which Professor Sissakian has introduced.

Problem of Illiteracy and Poverty

There are in this resolution, in the main, three considerations. The first is this: We are asked to assume that, as a result of disarmament, profusely large sums of money will be made available to relieve illiteracy and poverty throughout the world. God knows that no one could be more in favor of that possibility than we are, but I would say in all candor that we already know what these needs are. One of my colleagues, Professor Paulo Carneiro, for example, has informed us that not less than $100 million a year for 10 years would be required to solve the problem of illiteracy in Latin America. There exist, at the United Nations and at all our own American agencies, documents galore which reflect the need—the dire, desperate need—of millions of people, to whom Chesterton refers, "thronging like the thousands up from under the sea."

Our problem is not now to ask UNESCO what are the dimensions of illiteracy and poverty in the world. Our problem is first of all to say, "What can we now do in order to alleviate these difficulties?" And I can only tell you that (and I think here again I will revert to what Professor Carneiro said) there are not merely people in my country but in all the countries of the world who are giving of their substance daily to relieve this distress. He referred to the action taken by the bishops of the West German Federal Republic. We know of so many more—I will not take up your time enumerating them—but I merely want to make one illustration. Heaven knows that the people of Greece are poor enough, but not long ago we received from two villages in that country a donation which was sent to an American organization in the hope of improving the lot of schoolchildren in India.

I want now, if I may, to say this about UNESCO and its work. Sometimes we think that there is nothing very glamorous about UNESCO. This may be true. It does not concern itself with traumatic and dramatic experiences but with the daily, nourishing, creative work of the human mind. Therefore I would say that we should be grateful for the fact that we have come so far.

The other evening, after a long series of meetings, I sat for a while reading the excellent study which our colleague, Mr. Gardner Davies, has devoted to the French poet Mallarmé, and my eye lighted on that poet's line: *Toute notre native amitié monotone.* This amicableness, this *amitié*, that we feel is native to the human spirit. It may be a bit monotonous at times. I, for my part, am not at all satisfied with what UNESCO now is. I want to see it have, in the major lines of its effort, much more imagination, much more power, much more money, and I am grateful for the fact that the men who are guiding its destiny share these views with me. I see no occasion at the present time for turning aside from the efforts to which we are devoted in order to prepare a totally different outlook for the Organization.

Principle of Peaceful Cooperation

Now I shall come to the other two proposals in Professor Sissakian's resolution, about which I shall be even more critical, regretfully enough. The first has to do with what he calls peaceful coexistence. Now "peaceful coexistence" is one term. We have preferred another term, which is "peaceful cooperation." The difficulty is that "peaceful coexistence" has a history. It has a history which from our point of view is not too glamorous, and I want, for my part, to be certain that there has been a close in one section of the book of the past and that from this time forward the words "peaceful coexistence" will mean something else. I shall be explicit. There is a proposal in this resolution that we establish a conference to be held on the basis of parity between East and West. Now what in essence does this resolution seem to us to mean? It appears to us, and my country, to mean what we have often confronted in the United Nations, namely, a proposition that there be set up a kind of parity between the United States and Russia as a basis for a sort of summit meeting in which we can

formulate a doctrine we might be able to sell to or, if necessary, to impose upon the Organization.

Our concept, members of the Board, of peaceful cooperation is a totally different one. We don't want any UNESCO summit conference. We are deeply committed to the principle of the family of nations. We know that this family looks upon us often as the eldest child, who has inherited all the money and who is a little stingy about giving it away. We also know that members of the family sometimes are a bit exigent and expect of us things that we cannot supply. Nevertheless I wish, this afternoon, to reaffirm our faith in the family of nations and to tell you that what we mean by cooperation is this: that never will we consent to any kind of international intellectual organization in which the smallest one amongst us does not have equal rights to share in the discussion and to arrive at the conclusions. It is for this reason, primarily, that we do not favor any kind of meeting under the auspices of UNESCO which is based on a principle of parity.

There is another reason. From our point of view the United States is not a capitalistic country. We have in our opinion long ceased to be one, and for my part, if I may say so, I think that Karl Marx would have great difficulty in recognizing the Soviet Union as a socialist country of the sort he had in mind. If I speak now of a parity of socialist and capitalist countries, I am not merely being semantic but I am pointing out that just as there has been an inevitable trend in the whole field of disarmament there has been an equally inevitable trend in the field of sociological and economic development. Therefore, I say, why not accept our principle of peaceful cooperation, which means in essence that we will rededicate ourselves to the problems of freedom, of literacy, of emancipation from poverty insofar as education can make this possible and expend additional effort in developing brilliantly the ways in which we can attack these situations.

Sources of War Propaganda and Preparations

And now, finally, I want to revert to the last part of the proposal about which Professor Sissakian will pardon me if I say that I have some very serious reservations. This is the passage in his document which refers to the fact that we have to fight against preparations for and propaganda for another war. This also has a long and serious history.

For the past 10 years my country has been cast, and not by itself, in the role of the originator of this kind of propaganda. There have been dozens of international conferences which we have not attended in which every resolution that was passed called attention to the fact that from somewhere between Washington and New York there emanated a constant stream of declarations hostile to the cause of peace. Now I want to be sure, before I dedicate UNESCO to anything like this, that it, in turn, is not to participate in a conference of this character, that when we talk seriously, man to man, about propaganda for warfare and preparation for war, we will look present international situations squarely in the eye. Where is propaganda for war being made? Where is activity for the promotion of military effort taking place? If the proposal is to look honestly at the current sources of propaganda and of military preparation, I can assure Professor Sissakian that I will be present for that conference.

This then, I think, more or less summarizes my point of view. I have, however, a recommendation to make. This I am going to introduce with a quotation from Abraham Lincoln. This is the greatest testament of my country: "With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in." I agree that this work is the building of a peace for which all the peoples of the world ardently long and of which they constantly dream, and I am going to suggest that between now and the next General Conference the distinguished delegate from the Soviet Union and I, severally in our ways, draw up for consideration at the next General Conference a bill of particulars of what he would have UNESCO do in terms of the principle of peaceful coexistence and what I would have UNESCO do in terms of peaceful cooperation.

We will go home to our several countries. He can consult his great leader, and I will consult mine. We will not compare notes and perhaps no one could hope this more deeply than do I. And I repeat what I said at the outset: As I talk this afternoon I think of Léon Blum, and as I talk this afternoon I think of what I owe personally, and will owe every day of my life, to the inspiration of the great masters of Russian literature. I profoundly hope that, when we come back with the two lists of proposals which I have suggested this

afternoon, there will be so much agreement between us that UNESCO can then proceed to say, "At last we have opened an era in which a genuine measure of cooperation and friendship is possible." I shall even confess to Professor Sissakian that, being the kind of man I am, I shall go back to my homeland and pray daily that his list may be inspired with even greater wisdom than my own. It is in this spirit that I would like to conclude the remarks I wish to make on his resolution.

TREATY INFORMATION

Current Actions

MULTILATERAL

Finance

Agreement establishing the Inter-American Development Bank, with annexes. Done at Washington April 8, 1959.
Signed and acceptances deposited: Colombia, December 21, 1959; Ecuador, December 22, 1959; El Salvador, Honduras, Nicaragua, and Panama, December 29, 1959; Bolivia, Brazil, Costa Rica, Mexico, and Peru, December 30, 1959.
Entered into force: December 30, 1959.

Sugar

International sugar agreement of 1958. Done at London December 1, 1958. Entered into force provisionally January 1, 1959; definitively for the United States October 9, 1959.
Proclaimed by the President: December 31, 1959.
Ratifications and acceptances deposited: Costa Rica, June 23, 1959; Cuba (with reservation), June 15, 1959; Dominican Republic, June 3, 1959; Indonesia, November 6, 1959; Ireland, June 5, 1959.

Telecommunication

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1952 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958.
Proclaimed by the President: December 30, 1959.
Entered into force: January 1, 1960.

Trade and Commerce

Seventh protocol of rectifications and modifications to texts of the schedules to the General Agreement on Tariffs and Trade. Done at Geneva November 30, 1957.[1]
Signature: Peru, December 4, 1959.

Declaration on relations between contracting parties to the General Agreement on Tariffs and Trade and the Government of the Federal People's Republic of Yugoslavia. Done at Geneva May 25, 1959. Entered into force November 16, 1959; for the United States, November 19, 1959.
Signatures: Yugoslavia, May 25, 1959; France, May 30, 1959; Finland, June 18, 1959; Italy, July 7, 1959; Greece, July 9, 1959; Norway, July 14, 1959; Turkey, July 21, 1959; New Zealand, August 4, 1959; Belgium (subject to ratification), August 20, 1959; India and Indonesia, September 1, 1959; Ghana, September 9, 1959; Austria, September 22, 1959; Luxembourg, October 12, 1959; Netherlands and United Kingdom (but not in respect of the Protected State of Brunei)[2], October 19, 1959; Denmark, October 26, 1959; Czechoslovakia, Israel, and Sweden, October 29, 1959; Ceylon, October 31, 1959; Canada and Chile, November 6, 1959; Uruguay, November 9, 1959; Burma, November 11, 1959; Peru, November 16, 1959; Federation of Rhodesia and Nyasaland, November 17, 1959; United States, November 19, 1959.
Ratification deposited: Belgium, September 16, 1959.

Declaration on the provisional accession of Israel to the General Agreement on Tariffs and Trade. Done at Geneva May 29, 1959. Entered into force October 9, 1959; for the United States December 19, 1959.
Signatures: Israel (subject to ratification), May 29, 1959; Greece, July 9, 1959; Norway, July 14, 1959; Turkey, August 6, 1959; Ghana, September 9, 1959; Austria (subject to ratification) and New Zealand, September 22, 1959; Belgium (subject to ratification), and Finland, October 6, 1959; France, October 9, 1959; Netherlands and United Kingdom (but not in respect of the Protected States of Abu Dhabi, Ajman, Bahrain, Brunei,[2] Dubai, Fujairah, Kuwait, Qatar, Ras al Khaimah, Sharjah, and Ummal Quaiwan), October 19, 1959; Sweden, October 29, 1959; Nicaragua, October 30, 1959; Ceylon, October 31, 1959; Canada and Denmark, November 6, 1959; Uruguay, November 9, 1959; Burma, November 11, 1959; Peru, November 16, 1959; Federation of Rhodesia and Nyasaland, and Union of South Africa, November 17, 1959; United States, November 19, 1959; Italy, December 7, 1959.
Ratification deposited: Israel, September 9, 1959.

Wheat

International wheat agreement, 1959, with annex. Opened for signature at Washington April 6 through 24, 1959. Entered into force July 16, 1959, for part I and parts III to VIII, and August 1, 1959, for part II. TIAS 4302.
Acceptance deposited: Mexico, December 30, 1959.

BILATERAL

Netherlands

Agreement further extending the agreement of August 6 and 16, 1956, as extended (TIAS 3650 and 3896), relating to the establishment and operation of rawinsonde observation stations in Curaçao and St. Martin. Effected by exchange of notes at The Hague July 21 and October 10, 1958. Entered into force October 10, 1958.

Switzerland

Agreement replacing schedule I (Swiss) annexed to the reciprocal trade agreement of 1936 (49 Stat. 3917). Effected by exchange of notes at Washington December 30, 1959. Entered into force January 1, 1960.

Turkey

Agreement further amending the agreement of November 15, 1954, as supplemented and amended (TIAS 3179, 3204, 3205, and 3414), for the exchange of commodities and sale of grain, with annex. Effected by exchange of notes at Ankara December 10, 1959. Entered into force December 10, 1959.

[1] Not in force.

[2] Notification dated November 27, 1959, accepts declaration in respect of Protected State of Brunei.

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Release issued prior to January 4, which appears in this issue of the BULLETIN is No. 885 of December 30.

No.	Date	Subject
†1	1/5	Consulate general at Cameroun elevated to embassy (rewrite).
2	1/5	U.S.–Mexico communique on narcotics control.
3	1/6	U.S.–Netherlands civil aviation talks.
†4	1/8	Delegate to ECE Steel Committee (rewrite).
†5	1/9	Dillon: departure for Paris economic talks.

† Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

Bulletin

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February 1, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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United States Participates in Economic Talks at Paris

Under Secretary Douglas Dillon left Washington for Paris on January 10 to represent the United States at a meeting of a Special Economic Committee on January 12 and 13,[1] a meeting of the 20 governments which are members or associates of the Organization for European Economic Cooperation on January 14,[2] and a ministerial meeting of the OEEC Council, also on January 14. Following is a series of statements made by Mr. Dillon, together with the texts of three resolutions adopted by the Special Economic Committee on January 13 and subsequently by the 20 member countries and associates of the OEEC on January 14.

DEPARTURE STATEMENT, WASHINGTON, JANUARY 10

Press release 5 dated January 9

My trip to Paris has two purposes:

On January 12 and 13 I will attend a meeting of representatives of a number of governments and the European Economic Commission. This meeting was called in accordance with an understanding reached by President Eisenhower, President de Gaulle, Prime Minister Macmillan, and Chancellor Adenauer at their conference in Paris on December 21.[3]

On January 14 I will represent the United States at the ministerial meeting of the Council of the OEEC.

It will be our purpose on January 12 and 13 to consider the need for and possible methods of continuing consultation on the important problems of expanding liberal multilateral world trade and stimulating aid to the less developed countries of the free world. These are complex and difficult problems. We do not expect to solve them during the course of the next week, nor do we plan to make decisions affecting other countries without full consultation with them. But it is my hope that we will be able to decide upon practical steps which might be taken to devise the means most suitable for close consultation on these subjects.

The OEEC Council and the Executive Secretary of the General Agreement on Tariffs and Trade will be fully informed of the discussions held on January 12 and 13.

Since the end of the Second World War the free nations of the world have made tremendous progress in devising entirely new concepts and new means of cooperation with each other. I am confident that the spirit of cooperation which has made possible the accomplishments of the past will serve us equally well in dealing with the challenges of the future.

---

[1] The governments and organizations represented at the meeting on Jan. 12 and 13 were:

Belgium	Netherlands
Canada	Portugal
Denmark	Sweden
France	Switzerland
Germany	United Kingdom
Greece	United States
Italy	EEC Commission

[2] The member countries of the OEEC and associates represented at the meeting on Jan. 14 were:

Austria	Netherlands
Belgium	Norway
Denmark	Portugal
France	Spain
Germany	Sweden
Greece	Switzerland
Iceland	Turkey
Ireland	United Kingdom
Italy	Canada (associate)
Luxembourg	United States (associate)

[3] For text of a communique, see BULLETIN of Jan. 11, 1960, p. 43.

ARRIVAL STATEMENT, PARIS, JANUARY 11

During my last visit to Europe in early December,[4] I had a most welcome opportunity to discuss informally with a number of my European friends and colleagues matters relating to certain trade problems and the challenge facing the industrialized nations of the free world to assist the less developed countries.

Since then, President Eisenhower, President de Gaulle, Prime Minister Macmillan, and Chancellor Adenauer have proposed an informal meeting to consider the need and possible methods for continuing close consultation on these problems. I look forward to representing the United States at that meeting, which has been called for January 12 and 13.

Immediately thereafter, on January 14, I will also represent the United States at the ministerial meeting of the OEEC Council. This will provide an opportunity for the participants in the January 12–13 meeting to inform the entire OEEC of their discussions.

It seems to me that we now face two tasks. The first is to consider immediate steps to have early informal consultations on the trade problems I have spoken of and also on development assistance. Our second task is to consider a long-range plan for continuing international consultations in the future.

We now seek constructive solutions to new challenges facing us today. As we do so, I am confident that the same spirit of cooperation which has made possible the extraordinary economic progress of the 1950's will serve us equally in the decade ahead.

SPECIAL ECONOMIC COMMITTEE, PARIS, JANUARY 12

Press release 13 dated January 14

I wish to thank you, Mr. Chairman, and the members of the Special Economic Committee for this opportunity to present the views of the United States regarding the major tasks to which my Government hopes this Committee will address itself in the limited time at its disposal today and tomorrow.

I will begin by discussing the background of the communique which was issued on December 21 following the close of the recent Western summit meeting and from which we draw our terms of reference. Then I would like to lay before the Committee for its consideration certain procedural suggestions for future work.

There is no need for me to repeat the text of the communique of December 21. The essence of it is that we are invited to consider procedures designed to insure that three important economic questions will be given prompt and serious international attention.

The first of these questions relates to the commercial policies of the members of the European Economic Community [EEC] and of the proposed European Free Trade Association [EFTA][5] with respect to trade with other countries, including their trade with each other.

The second is that of enlarging the flow of development capital from the industrialized free world to the less developed areas.

The third is the problem of finding the best mechanism for continuing international consultations on major economic problems, including the problem of development assistance.

You are all of course aware that the communique of December 21 was based upon a proposal put forward by the United States. This proposal of ours was formulated in the light of discussions in recent weeks between the Government of the United States and several European governments. President Eisenhower had occasion to discuss certain of these matters during his recent trip, first in Rome and later in Paris. I also discussed them with the representatives of several governments and with the Commission of the European Economic Community in the course of my recent visit to London, Brussels, Bonn, and Paris, as did Assistant Secretary of the Treasury [T. Graydon] Upton on an earlier trip.

As a result of these talks my Government came to the following conclusions.

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[4] Mr. Dillon was in Europe Dec. 7–14; for an announcement of his itinerary, see BULLETIN of Dec. 14, 1959, p. 862.

[5] The EEC, sometimes called the "Inner Six," is composed of Belgium, France, Germany, Italy, Luxembourg, and the Netherlands. The EFTA, sometimes called the "Outer Seven," is composed of Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom.

Question of European Trade

First, we concluded that the trade problems now emerging in Western Europe presented certain dangers. On the one hand was the danger that these trade problems could lead to political and economic frictions within Europe which might weaken the cohesion of the free world. On the other was the danger that, in an effort to solve the regional European trade problem, measures might be taken which could seriously impair the world-wide trading principles established in the General Agreement on Tariffs and Trade.

These dangers, political and economic, are not ones which the United States can safely ignore. To mention only the economic aspect, it is clear that the development of United States commercial policy cannot be divorced from developments in such an important area of world trade as Western Europe. All would agree, I think, that the pursuit of a liberal commercial policy by the United States is essential to the functioning of an effective world trading system. United States commercial policy, however, is not formed in a vacuum. It can be kept liberal only insofar as other major trading countries also pursue liberal policies. Viewing the matter in both its political and economic aspects, we believe that the European trade question is an urgent one and requires the earliest possible attention. The history of this problem makes clear that there is no easy solution readily at hand. It is likely therefore that this subject will require continuing consultations.

Question of Enlarged Development Assistance

The second conclusion to which we came as a result of our talks was that there is great awareness in Western Europe of the increasing role which Europe is bound to play in the provision of development assistance to the newly developing areas of the free world and that there exists a desire for cooperation with the United States and other capital-exporting nations in this common endeavor which is so vital to the preservation of freedom.

At the same time, many questions have been raised as to the best methods of mobilizing national resources for development assistance and of bringing about a more effective exchange of views and experience among the capital-exporting nations which have the capacity to provide these resources.

The problem of development assistance—like that of the trade problem to which I have referred—is also one in which the United States has a deep interest because of its substantial activities in this field. We wish to work closely with Western Europe and Canada in an endeavor to provide the external development capital which the developing areas of the free world must have if their own efforts to achieve economic progress under conditions of freedom are to succeed.

Question of Successor to OEEC

The third conclusion to which I came as a result of our discussions was that there was need for improving the machinery of international economic cooperation so as to create a better mechanism for dealing with major economic issues with a strengthened relationship between the United States and the other countries concerned. With this in view we felt that study should be given to revitalizing and broadening the work of the Organization for European Economic Cooperation through the establishment of a successor organization in which the United States could become a full member.

The OEEC has succeeded outstandingly in its major tasks of furthering the recovery of Western Europe. Even though many of the tasks for which it was originally created have now been largely accomplished, the OEEC is continuing to do valuable work. The habits of cooperation which have been developed through its efforts should be maintained and strengthened. For the new challenges which have emerged require the closest cooperation by all of us. For its part the United States is prepared to play a full and active part in such an effort.

Looking to the years ahead we see two main economic objectives which will require continuing attention. These are (1) the objective of promoting the economic development of the less developed areas, through bilateral methods as well as through the multilateral institutions already existing or about to be created; and (2) the objective of assuring stability and growth in the world economy.

Let me make one thing clear. If, as a result of this week's meetings, a study is undertaken of the methods of improving cooperation in the economic

field, we feel that such a study should not affect the good work presently under way in the OEEC. This should continue as at present. If, as a result of the proposed studies, it should later be determined by the member countries of the OEEC that a successor organization would be desirable, then and only then would it be time to transform the operations of the OEEC so as to adapt them to the requirements of the successor organization.

These, then, were the substantive conclusions which emerged from our consideration of current economic problems following our discussions with several European governments.

Need for International Action on Economic Problems

The three economic questions which I have mentioned—the question of European trade, the question of enlarged development assistance, and the question of a successor organization to the OEEC—are in many respects separate questions. Yet these three questions have one thing in common, which is that there is no existing international institution through which they may be successfully attacked.

The urgent question of European trade is not being discussed in the OEEC, partly for historical reasons with which all of the members of this Committee are familiar. Nor, because of aspects which go beyond the realm of commercial policy, can it be discussed effectively in the large forum of the General Agreement on Tariffs and Trade. In our judgment this question can only be addressed with any prospect of progress in a limited but representative group such as this Committee.

The question of coordination of broad national policies relating to worldwide development assistance would appear to require the full participation of all countries actively engaged in this effort. The OEEC as presently constituted is seriously handicapped in this effort since the United States is not a full member. And, while the World Bank can be helpful in providing many kinds of information and in bringing countries together on specific projects in which the Bank has an interest, it is itself a lending institution which is not organized in such a way as to make possible the international discussion of broad policies, including national lending policies and the programs of those members which provide, or desire to provide, external capital for development on a bilateral basis over and above their contribution to international organizations.

Finally, the question of whether there should be a successor organization to the OEEC, which would continue existing functions of the OEEC, which would add important new functions, and which would allow the United States and, we hope, Canada to assume the role of full members, can, in our view, only be discussed directly by all the governments concerned outside the framework of the institutional structure of the OEEC.

It was against this background, Mr. Chairman, that we proposed, at the time of the Western summit meeting, the creation of this Committee to formulate appropriate procedures to further international consideration of the three major economic problems to which I have referred.

U.S. Offers Procedural Suggestions

Since the publication of the communique of December 21 and the issuance by the French Government of the invitation to participate in the Special Economic Committee, my Government has been in continuing consultation both with the governments represented here and with other governments regarding the work of this Committee. In the light of these consultations I would like to place before the Committee the following procedural suggestions: first, for studying the desirability of a successor organization to the OEEC; second, for discussing, pending the establishment of such a successor organization, the problems of development assistance to the less developed areas; and, third, for giving early attention to the European trade questions.

Committee To Study OEEC Reorganization

In considering the desirability of a successor organization to the OEEC I think you will all agree that any such decision can only be taken by the 20 governments who are members of or associated with the OEEC. Furthermore all these governments must have adequate opportunity to thoroughly consider the matter so that we may all be certain that we are obtaining the best possible mechanism for handling the important economic problems which will face us in the future. Accordingly we would suggest that this matter be

thoroughly considered and discussed at a meeting of senior officials representing the 20 governments. The efforts of such a group would be greatly facilitated by the preparation of adequate working papers. These could best be prepared by a very small group. It is our view that this preparatory working group should consist of not more than three persons: one of whom might be chosen from the EFTA countries, the second from the EEC countries, and the third from the other countries who are members of or associated with the OEEC. Once chosen, this Committee of Three would be expected to obtain the views of each of the 20 governments and to prepare a report for submission to the 20 governments. This report might outline the general problems to be faced and might include a draft charter. These documents could then serve as the initial working documents for the conference of officials to which I have referred.

If, as a result of the conference of officials, general agreement emerged on the desirability of a successor organization, a ministerial meeting could be convened to decide any remaining points at issue and to approve a new charter, which would then be submitted to governments for ratification.

It would be our thought that, if the Special Economic Committee agrees on a procedure such as I have outlined relating to the establishment of a successor organization to the OEEC, the Committee should recommend it to all of the 20 governments of the OEEC, whose representatives will be assembled on the occasion of the meeting of the OEEC Council on January 14.

The procedure I have outlined is designed to give every member country of the OEEC full opportunity to participate in this work from the beginning. We have been aware during the weeks following the communique of December 21 that many countries were uncertain as to what the United States had in mind in proposing consideration of a new mechanism of consultation to follow the OEEC. We have heard, on the one hand, that our objective was to weaken the EFTA, on the other, to weaken the EEC, and, finally, that we might be desirous of establishing some sort of directorate to make decisions for others.

Let me state clearly what our motivation actually was. It was very simple. We felt that the time had come when the new problems facing the world, particularly the necessity of marshaling the total economic resources of the free world in the most effective manner to meet the challenge posed by the newly developing countries, required a close and fully equal collaboration between the United States and the now completely recovered countries of Western Europe. The creation of a new organization seemed unthinkable. It was only natural to explore the possibilities of combining everything that is best in the OEEC with a changed framework that would permit full and equal United States participation. We recognize that the OEEC performs and should continue to perform certain functions that are purely European in character and in which our participation would not be appropriate. We would hope that all such activities as are found to be of continuing usefulness by the members would continue on a purely European basis unaffected by our assumption of full membership in a new parent body.

Development Assistance Group

Now as to the problem of development assistance and its better coordination. If the study of the successor organization to the OEEC results in general agreement that such an organization should be established, we assume that it may be as long as 18 months before the new organization could come into being. We therefore propose that in the meantime a limited group be constituted consisting of those countries in a position to make an effective long-term bilateral contribution to the flow of funds to the less developed countries. We believe that this group on development assistance should operate in an informal manner and that it should consult, whenever desirable, with the World Bank, the OEEC, and other appropriate national or international institutions. A major task of the development assistance group would be to discuss the most effective methods of mobilizing national resources for development assistance as well as of providing such assistance to recipient countries in the most useful manner. There is not only a real need for an increased flow of long-term private and public funds from the industrial countries whose reserves have increased in recent years but also a real need to provide investments, loans, and assistance to the less developed countries in ways which will make the maximum constructive contribution to their economies. The United States would be prepared to make available to this group information on its own lending,

assistance, and investment guaranty operations with the thought that our experience might be useful to others in considering their own programs.

We do not envisage that the development assistance group should attempt to engage in a "burden sharing" exercise or seek to reach decisions on amounts of assistance to be provided to specific countries or areas. If, during its deliberations, it appears that two or more countries desire to cooperate in assistance to particular countries, then it would be desirable to consult promptly with the recipient country or perhaps enlist the good offices of the World Bank. This, as you know, has been the procedure followed successfully by a number of capital-exporting nations and the World Bank in coordinating assistance to India.

We believe that the development assistance group would not require any special international staff. It could, however, make effective use of certain studies which might be carried out by the staff of the OEEC. Useful studies which the OEEC might appropriately undertake at this time would be:

(a) The development of up-to-date statistics on the actual amount of financing which various countries have undertaken in their transactions with the less developed countries, as well as the various types of financing, the relative maturities, and the countries to which assistance has gone.

(b) A factual survey of existing national organizations in the investment, lending, and assistance field through which funds are made available to the less developed countries, the policies of these organizations, the funds currently available to them, and the source of the funds.

(c) An analysis of the various types of incentives to foreign investment in the less developed countries which may exist or be under consideration in the industrial countries.

These studies, as you will have observed, correspond in general with certain of the recommendations of the OEEC staff, which are to be considered at the meeting of the OEEC Council on January 14. Certain other recommendations of the OEEC staff in the field of development assistance would, in our judgment, be premature, and we will speak to that point at the January 14 meeting.

We propose that the development assistance group consist of those of us who, in addition to their contributions in multilateral organizations, now make, or might be prepared to make, significant bilateral contributions to development. Such a group might include, for example, Canada, France, Germany, Italy, the United Kingdom, the United States, and the Commission of the European Economic Community.

Continuation of Special Economic Committee

The third and last procedural proposal which we wish to put forward is that there be agreement on the forum in which the European trade questions referred to in the communique of December 21 could be discussed from time to time, pending the decision on a successor organization to OEEC.

We suggest that this Special Economic Committee should be continued for this purpose. Although we have heard various alternative suggestions regarding the composition of an appropriate group, we are inclined to doubt that a better formula can be found. In any case, the problems to be considered are of such potential seriousness and urgency that they should not be put aside pending the possible creation of a new organization, which probably could not take place for some 18 months. If agreement can be reached that this body is appropriate for this purpose, we would hope that the date and place for its first meeting could be agreed upon at this time. We believe that this first meeting should be held soon and should be attended by senior officials, with ministerial meetings to be called thereafter as necessary.

The group to deal with these trade questions would not, of course, affect the continuing work of the Contracting Parties to the General Agreement on Tariffs and Trade or the Steering Board for Trade of the OEEC.

This completes the presentation of our views, Mr. Chairman. In order to facilitate consideration by the Committee of the procedural suggestions we have made, we have prepared drafts of the formal actions which the Committee might take on each of the three procedural arrangements—the study of the reorganization of the OEEC, the establishment of the development assistance group and its terms of reference, and the continuation of the Special Committee to discuss the trade problem. These drafts are being

circulated for the consideration of the members of the Committee.

MEETING OF 20 GOVERNMENTS, PARIS, JANUARY 14

Press release 19 dated January 15

Thank you, Mr. Chairman, for giving me this opportunity to comment on the excellent report by the distinguished chairman of the Special Economic Committee, Mr. [Joseph M. A. H.] Luns. He has most ably summarized the outcome of our meeting yesterday. I am glad that he stressed—and I myself wish to underline—the fact that all of us who participated in the informal meetings fully recognized the interest of all member countries of the OEEC, as well as the two associate members, in this matter. I trust the full report which has just been made will reassure all the governments represented here today that there was no intention on the part of any of us—and this has certainly been the case so far as my own Government is concerned—to proceed further without full consultation with all OEEC governments.

Arrangements were made, I know, for all of you to receive copies of my remarks Tuesday evening at the opening meeting of the Special Economic Committee. Therefore I believe it is unnecessary for me to comment at any length on the reasons which prompted the proposals my Government has put forward. The essence of the United States position is that there are new challenges and new opportunities facing the free world. A greater degree of effective collaboration is needed to insure that we will be successful in meeting the new situation.

The objective of my Government in these discussions has been to reach agreement on an orderly method of beginning an exploration of three distinct problems: first, the question of trade which has arisen here in Europe but whose ramifications are truly worldwide in scope; second, the question of how to mobilize economic resources more effectively to promote the economic development of less developed areas; and, third, the need for new methods of economic cooperation which will promote stability and growth in the world economy.

All 20 governments represented here today must obviously participate from the very beginning in work relating to the question of organizational arrangements. I am sure that you will find that this is fully provided for in the resolution recommended by the Special Committee.

In concluding my remarks, Mr. Chairman, I should like to emphasize one point to which my Government attaches particular importance. That is the necessity that the good work of the OEEC continue unchanged during this period when we will be considering the possibilities for improved cooperation. We favor the formation of a reconstituted organization adapted to the needs of today. Subject to the approval of our Congress, the United States would be prepared to assume full and active membership in an appropriately reconstituted organization. In the meantime we are confident that the OEEC will proceed vigorously and creatively with the significant work before it.

ARRIVAL STATEMENT, WASHINGTON, JANUARY 16

Press release 22 dated January 16

I have just returned from Paris, where I represented the United States at the regular ministerial meeting of the Organization for European Economic Cooperation and also at special meetings of the 20 governments which are members or associates of the OEEC.

At these special meetings the 20 governments reached decisions which are of great potential importance for the future of economic cooperation in the free world. Agreement was reached to work together for the establishment of a successor organization to the OEEC in which the United States could participate as a full member and which would facilitate cooperation between the industrialized nations of the free world in meeting the major economic problems which will face the world during the coming decade.

As a result of the Paris decisions we also have reason to expect that a serious and successful effort will now be made to solve the problems of European trade connected with the European Economic Community and the European Free Trade Association—the Six and the Seven. We have obtained assurances that any solution will take full account of the interests of the United States and other countries in accordance with the principles of the General Agreement on Tariffs and Trade.

Also during the Paris meetings the governments of a number of capital-exporting nations agreed to consult together on their efforts to provide development assistance to the less developed areas. This group will probably hold its first meeting in Washington in the near future.

TEXTS OF RESOLUTIONS

Press release 20 dated January 15

Resolution on Study of O.E.E.C. Reorganization

Representatives of the Governments of Belgium, Canada, France, Denmark, the Federal Republic of Germany, Greece, Italy, the Netherlands, Switzerland, Sweden, Portugal, the United Kingdom, and the United States and the Representative of the Commission of the European Economic Community,

a) *Fully appreciating* the cooperative work accomplished by the O.E.E.C.;

b) *Wishing* to ensure the continuity of cooperation in the fields where no change is called for;

c) Determined to pursue economic policies which will contribute to stability and growth in the world economy, *including trade policies directed to the sound use of economic resources and the maintenance of harmonious international relations;*

d) Conscious of the need to devote increased efforts towards furthering the development of less-developed countries;

e) Recognizing the importance of continued cooperation to ensure the achievement of these objectives;

f) Noting the desirability of arrangements which would enable full participation not only by the present 18 Members of the Organization for European Economic Cooperation but also by the two associate members, the United States and Canada;

g) Desiring to proceed with an examination of improved organizational arrangements which could best accomplish these purposes;

h) Recognizing the equal interest of all member and associate member governments of the Organization for European Economic Cooperation in this matter;

Propose

1) That a meeting of senior officials of the twenty Governments, members or associate members of the O.E.E.C. and to which the European Communities should also be invited, be convened in Paris on April 19, 1960 to consider the question of appropriate arrangements to achieve the objectives stated above;

2) That, in order to facilitate the work of such meeting, a group of four persons consisting of . . . . . and . . . . . .[6] should be appointed to prepare a report which would

a) examine the most effective methods for achieving the objectives referred to above and make appropriate recommendations with respect thereto;

b) submit a draft of articles of agreement, should their examination of this question indicate the desirability of bringing about an appropriately improved organization for economic cooperation;

c) identify those functions at present performed by the O.E.E.C. which should continue to be the subject of international economic cooperation under the aegis of the proposed organizational arrangements with respect thereto;

3) That the group named above should consult with all twenty governments and the European Communities and appropriate international organizations during the preparation of their report without, however, committing any government as to the content of the report which would be submitted by them in their personal capacities and which would be open for discussion and negotiation at the meeting envisaged in Paragraph 1 above.

[6] Although tentatively selected, the names of members of the group of four will be officially announced later.

Resolution on Development Assistance

The Special Economic Committee

Having been informed of the desire of the Governments of Belgium, Canada, France, Germany, Italy, Portugal, the United Kingdom, and the United States, and the Commission of the European Economic Community, who, in addition to their contribution to international organizations, are making available or may be in a position to make available a significant flow of long term funds to underdeveloped areas, to discuss among themselves the question of techniques to facilitate such flow of funds, taking into consideration other means of assistance to developing countries;

Notes that these eight Governments and the Commission of the European Economic Community intend to meet together to discuss various aspects of cooperation in their efforts, and to invite other additional capital exporting countries to participate in their work or to meet with them as may from time to time appear desirable, and to consult with such multilateral organizations as the International Bank for Reconstruction and Development and the European Investment Bank.

Resolution on Certain Trade Problems

The Special Economic Committee

Recognizing that there are problems of commercial policy of particular concern to the twenty governments who are members of, or associated with, the O.E.E.C.;

Taking note of the existence of the E.E.C. and of the convention for an E.F.T.A.;

Bearing in mind the relationship between the provisions of these agreements and general international commercial policy,

Considering the need to examine, as a matter of priority, the relationship between the E.E.C. and the E.F.T.A. with due regard to the commercial interests of third countries and the principles and obligations of the G.A.T.T.;

Decides

to propose to the twenty governments that they consti-

tute themselves, together with the E.E.C., a committee with power to

1) establish one or more informal working groups for the consideration of these problems without infringing the competence of the existing international institutions such as the G.A.T.T. or the O.E.E.C.; these groups should report back to the Committee;

2) transmit an invitation to the Executive Secretary of the G.A.T.T. to participate in these discussions.

President's Visit to Soviet Union Set for June 10–19

White House press release dated January 17

As already announced earlier,[1] the Chairman of the Council of Ministers of the U.S.S.R., N. S. Khrushchev, invited the President of the United States to pay an official visit to the Soviet Union at a time suitable for him. President Eisenhower accepted with pleasure the invitation of N. S. Khrushchev.

As a result of subsequent personal exchanges between the Chairman of the Council of Ministers, N. S. Khrushchev, and President Eisenhower, it was agreed that the President would make his visit in the Soviet Union from the 10th until the 19th of June 1960.

U.S. Comments on Soviet Proposal To Reduce Armed Forces

Statement by Lincoln White
Director, Office of News [2]

We note with interest the Soviet Union's announcement of an approximate 1.2-million-men proposed reduction in its conventional armed forces and a readjustment in its conventional armaments. We also note that these reductions are to be carried out within the next 1 to 2 years. This proposed action to reduce present massive Soviet armed forces could lessen one of the causes of existing world tensions. The announcement was not unexpected, since the Soviet Union, along with other modern nations, is now in a position to place greater reliance on new weapons.

In this connection Chairman Khrushchev has emphasized that the proposed reductions would in no way affect the actual power of the Soviet Union's arms. The Soviet Union, with its acknowledged—I might say parenthetically for the first time—its acknowledged armed force level of 3.6 million, and its neighbor, Communist China, maintain the largest standing armies in the world. This fact has been a constant source of concern to those nations earnestly seeking a solution to the dangers inherent in the armaments race.

For its part the United States, not in 1960 but immediately following World War II, demobilized the great bulk of its armed forces from a peak level of 12.3 million. In view of Communist aggression the level was later raised and stands today at approximately 2.5 million. In addition the United States has carried out corresponding reductions in its conventional armaments.

As in the case of previous unilateral Soviet announcements, the proposed reductions can be taken only as an intention since there will be no verifiable means of checking any actual reductions. An opportunity to achieve controlled international measures of disarmament will be offered at the general disarmament negotiations scheduled for the early part of this year.[3] At these negotiations the United States will be prepared to go as far toward safeguarded disarmament as any other country. It is hoped that this announcement by the Soviet Union is an indication of its willingness to participate in the forthcoming negotiations in the same spirit so that world accord can be established through concrete and verifiable measures of disarmament, thereby removing suspicions and building real security.

Letters of Credence

Bulgaria

The newly appointed Minister of the People's Republic of Bulgaria, Peter G. Voutov, presented his credentials to President Eisenhower on January 15. For texts of the Minister's remarks and the President's reply, see Department of State press release 17 dated January 15.

[1] BULLETIN of Oct. 12, 1959, p. 499.

[2] Made to news correspondents on Jan. 14.

[3] For a communique issued by the Foreign Ministers of Canada, France, Italy, the United Kingdom, and the United States at Paris on Dec. 21, see BULLETIN of Jan. 11, 1960, p. 45.

Geographic Regions of Asia: South and East

by G. Etzel Pearcy

A zone arcing around the southern and eastern peripheries of the Asian Continent from the Makran coast of West Pakistan to Peter the Great Bay in Maritime Siberia coincides with the axes of the world's greatest population concentration. Some 1.4 billion people, more than half of the world total, live in this part of Asia, including its fringing islands and archipelagoes. India and China together can claim more than a billion inhabitants; Japan, Indonesia, and Pakistan each are fast approaching 100 million. These enormous census counts exist despite the fact that settlement is broken in places by mountainous terrain, stretches of desert, or other areas inhospitable to man and his efforts to wrest a living from the soil.

This populous crescent of Asia has a heritage accrued through tens of centuries—a much longer background than has Europe, which is better known to most Americans. Since World War II virtually every sector within the area has experienced political upheaval, adding confusion and, at times, chaos to an already complex pattern of civilization. Crisis has followed crisis until names such as Laos, Singapore, Kashmir, Tibet, Quemoy, and Panmunjom have been set in heavy type with weary regularity by our news services. Certainly today all parts of this arcuate region are written about at length and discussed by the delegate in the assembly halls of the United Nations and the man on the street.

Oddly enough, no generally accepted regional term is available for identifying the southern and eastern periphery of Asia as a unit. Joseph E. Spencer, professor of geography at the University of California, Los Angeles, concentrated on this area in his textbook, *Asia, South by East*, from which the title of this article is adapted. One must depend upon rather clumsy expressions such as "southern and eastern Asia" or "the southern and eastern parts of Asia" as terms for the entire region in question. Fortunately, however, a myriad of regional names designate many politicogeographic areas within the confines of the southern and eastern segments of the great continent. Each one normally comprises a combination of political entities, even though any two may overlap to some degree. These regional names serve a useful purpose in discussing world affairs.

A strictly geographic expression, "Monsoon Asia," can be used correctly to indicate that part of southern and eastern Asia which is associated with circulatory winds and heavy seasonal rainfall. This area supports a population running into hundreds of millions. But the word "monsoon" has no politicogeographic significance, and as a result it has not gained wide acceptance except among geographers.

The extensive land mass of Asia is frequently broken down into geographic "realms," some of which may be likened to subcontinents. George B. Cressey, professor of geography at Syracuse University, recognizes three such realms—(1) Subcontinent of India and Pakistan, (2) Southeast Asia, and (3) China-Japan—which taken together generally connote southern and eastern Asia. This division, despite its lack of precision, has gained favor with other geographic writers;

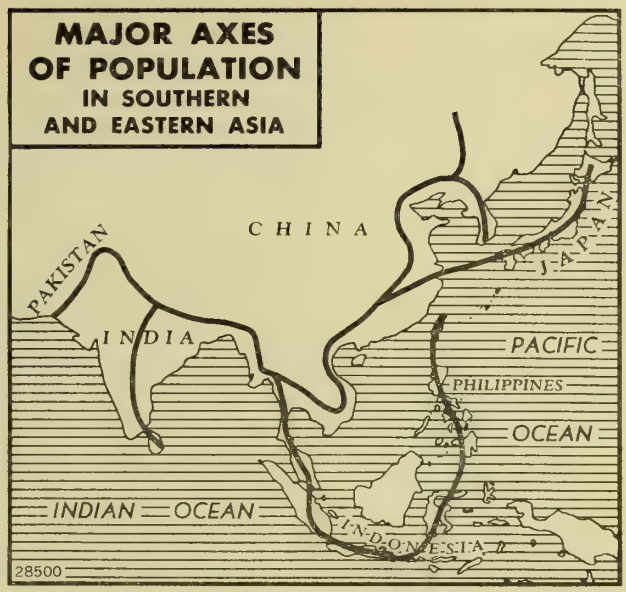
• *Mr. Pearcy is the Geographer of the Department of State. This is the third in a series of articles which he is writing for the Bulletin on the nomenclature of geographic regions. For his articles on the Middle East and Latin America, see Bulletin of March 23, 1959, p. 407, and September 14, 1959, p. 384.*

nevertheless, some authorities frown at putting the innermost parts of China in the same unit as the coastal part of the country and Japan. They do not find that Tokyo and Urumchi have much in common. The solution suggested is further subdivision that would create another regional bloc encompassing the vast expanses of dry territory remote from the coast.

In current parlance the broad geographic zone sweeping around the southern and eastern edges of Asia might be said to comprise: (1) South Asia, (2) Southeast Asia, and (3) the Far East. South Asia appears to be a comparatively new term supplanting the outmoded term of "subcontinent" to denote India and Pakistan together. Southeast Asia is properly chosen in relation to the orientation of the area it names. Far East in its more limited sense supersedes the use of the country names China and Japan to designate this huge area. But when examined in more detail, this apparently innocuous 3-way division is encumbered with problems in nomenclature and with inconsistencies. Each division in turn demands further clarification in order that one may better understand the interplay of regional terminology in this densely populated area.

South Asia

The politicogeographic region of South Asia encompasses India, Pakistan, Ceylon, Nepal, and Bhutan. The first three are members of the British Commonwealth, India and Pakistan as independent republics and Ceylon as a dominion. Nepal ranks as a fully independent kingdom, but Bhutan continues to be guided by India in its external relations. Sikkim, situated along the northern boundary of India between Nepal and Bhutan, is by treaty a protectorate of India. However, one also sees it listed along with Bhutan as a semi-independent state. The Kashmir area, which unquestionably falls within the confines of South Asia, is known as the State of Jammu and Kashmir and is now considered by India for all intents and purposes as being a part of India. It is, however, the subject of a dispute between India and Pakistan. To continue itemizing the political entities that make up South Asia one must include the small Portuguese exclaves of Goa, Damão, and Diu, collectively known as Portuguese India. Within recent years Pondichéry and four other



French exclaves have become integral parts of India, although some few legal measures must still be taken to complete the process.

The place of Afghanistan in a regional grouping is less clear cut. Though the boundary line of South Asia is usually extended to include Afghanistan, that country may at times be identified as a part of the Middle East. Physically it is related to the northern reaches of West Pakistan on the east, the barren plateau lands of Iran on the west, and the Central Asia Republics of the Soviet Union on the north. Border problems between Afghanistan and Pakistan hark back to tribal difficulties in the British-controlled North-West Frontier States before partition. Continuing problems in this area strengthen the relationship—or at least the association—of Afghanistan with South Asia. At present the Pathan (or Pushtun) question continues to focus attention on the Pakistan-Afghanistan boundary area. For example, one not infrequently sees references to "Pushtoonistan" (or "Pakhtoonistan"), the name theoretically applied to the area inhabited by Pushtu-speaking tribes on both sides of the boundary.

South Asia is not a timeworn term. It should be distinguished from "southern Asia," a strictly direction-location term which could conceivably include as much as one-half of the entire continent and be geographically accurate. In the past the area now classed so conveniently as South Asia was held by some to be a part of the Middle East.

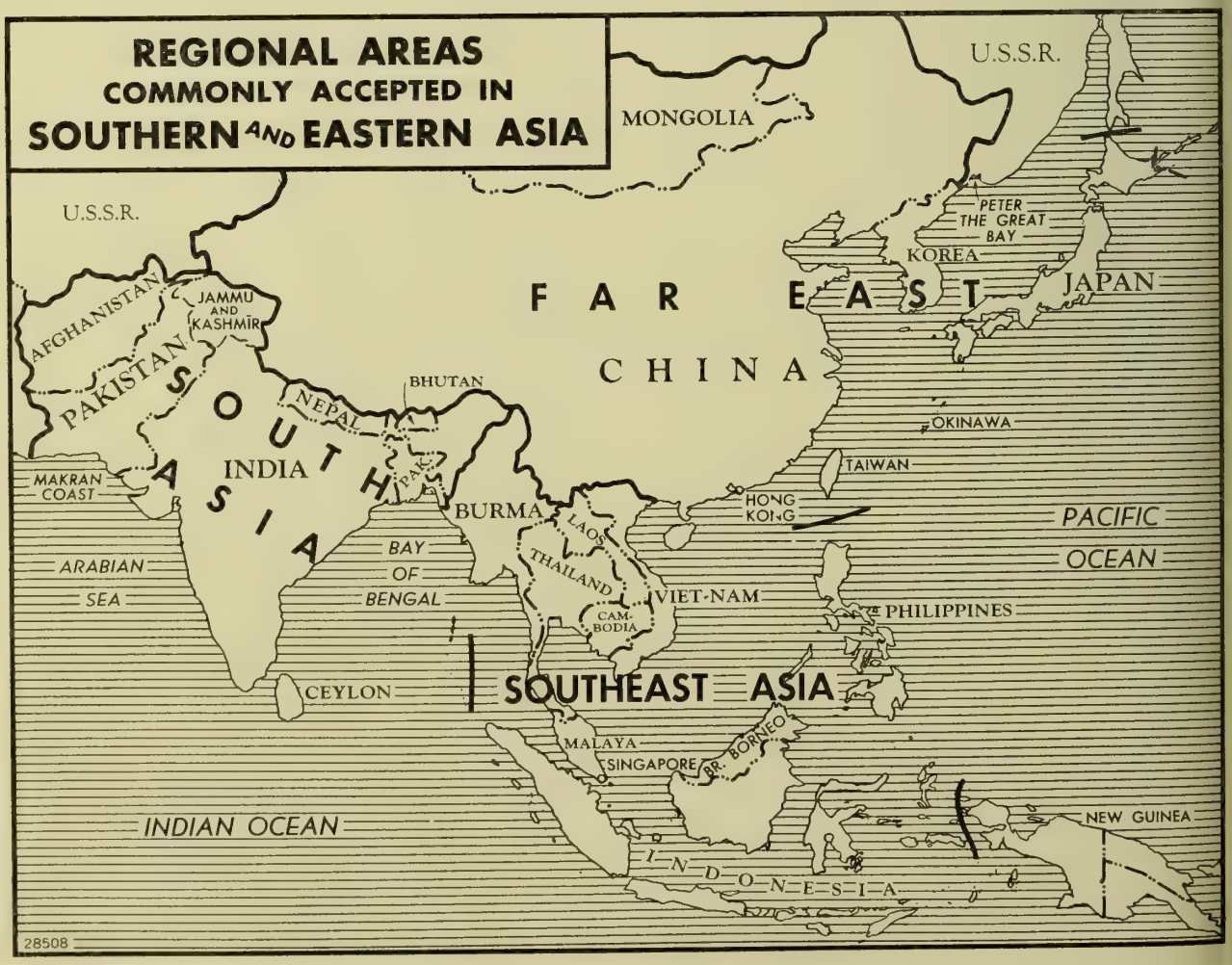
In fact, and not without some logic, this concept still persists to a limited extent. In direct contrast the same area has at times been placed within the domain of the Far East, especially among historians. By virtue of its central position on the southern side of the continent, one might facetiously define South Asia as the zone where the Middle East and Far East overlap.

Before partition in 1947 India was widely and even officially referred to as the Subcontinent. This terminology automatically set it apart as a region of significant proportions. A more recently evolved term, "Indo-Pakistan Subcontinent," though far from unknown today, apparently fails to replace the concept of an Indian subcontinent. With little doubt, the term "South Asia," concise and without strong competition, is a welcome addition to the traditional list of comprehensive terms for this politicogeographic region.

Lowlands of South Asia

Within South Asia one finds well-established subregions, most of them related to the broad geographic features of either India or Pakistan or both. Some are of sufficient size and importance to exert a strong or even dominating influence on the politicogeographic balance of the much larger region.

Across India and Pakistan from the Arabian Sea to the Bay of Bengal is a boomerang-shaped lowland extending for a distance of more than 2,000 miles. Through a series of interrelated valleys flow the waters of the Ganges, Indus, and Brahmaputra Rivers and their tributaries. Many of the legendary characters in Kipling's stories of British India have trod over the lowland, passing through Delhi, Lahore, and Rawalpindi. The region has three names: (1) Indo-Gangetic Plain, (2) Plain of Hindustan, and (3) Plain of North-



ern India. The latter name, it is significant to note, continues to be used, though much of the area involved lies in Pakistan. In order to limit the lowland area to Indian territory one may speak of the Gangetic Plain, or the trans-Gangetic Plain if one includes the low, fertile Punjab country in northwestern India. Even with this limitation the lowland is not entirely within a single country because the delta of the Ganges lies more in Pakistan than in India.

The Mountain Wall

North of the lowlands rises the mountain wall forming the southern reaches of the Himalayas. Except for Kashmir only fragments of India and Pakistan lie in the high mountainous region. Nevertheless, the dominating aspect of the Himalayan system gives definite regional characteristics to the northern portions of the two countries. Terms that are used to designate this northern fringe include "Mountain Wall" and the "Himalayan Region." In the same vein Nepal, Bhutan, and Sikkim may be grouped as the Himalayan states.

Webster would hardly define the southern part of India as a peninsula. Its shape is actually that of a gigantic cape, though only Cape Comorin at the southern extremity of the country is so designated generically. Nevertheless, the term "Indian Peninsula" finds common acceptance notwithstanding the fact that it carries two distinct meanings. First, "peninsula" may be used as an adjective applying to all of India as a peninsular country. Second, it may apply only to that part south of the Tropic of Cancer, which protrudes into the waters of the Indian Ocean (or, more precisely, into the waters of the Arabian Sea and the Bay of Bengal).

The Deccan Plateau

The huge Deccan Plateau, a distinctive physiographic region, roughly coincides with triangular-shaped peninsular India. Consequently "Deccan" has become a regional term, usually implying the high parts of the country south of the Narbada River. India and Pakistan have many "regions," some of them with populations reaching into the tens of millions, that are held together by cohesive traditions. The names of such regions may well have provided the basis for those of administrative divisions. Probably the two best known regions in this category are the Punjab and Bengal, home of the Punjabi and the Bengali. Partition divided both regions, and now India has East Punjab and West Bengal, whereas Pakistan has West Punjab and East Bengal. Associated with the Punjab in West Pakistan, but extending into India, is the area of the Five Rivers, tributaries of the Indus: Beas, Chenab, Jhelum, Ravi, and Sutlej. Here a physical region cut by an international boundary assumes tremendous political significance because of the problem of equitable distribution of lifegiving water. Other regions also derive their names from physical features; for example, the Thar Desert, the Malabar Coast, and the Western Ghats.

A unique example of logical regional thinking lies in the use of the term "Hooghlyside" by Indians to denote the right bank of the Hooghly River, opposite Calcutta, which includes the great industrial city of Howrah. Origin of the term must, of course, be credited to the British, who have their own Merseyside and Tyneside for similar situations.

Southeast Asia

We can credit university circles for the increased use of the term "Southeast Asia." Since World War II several academic institutions, including Cornell University, have established area program studies concentrated on this part of the world. A rising tide of nationalism in lands immediately south of restless Communist forces gives a certain stark unity to the southeastern segment of the Asian Continent. Recognition of its identity as a regional bloc is further justified by virtue of its being pressed against the teeming millions of both the Indo-Pakistan community and China. Some of the countries of Southeast Asia are badly overcrowded, but for the most part the area has a population density somewhat less than critical.

The pattern of political sovereignty in Southeast Asia resembles a patchwork design. In his recent book, *The Diplomacy of Southeast Asia: 1945–1958*, Russell H. Fifield of the University of Michigan counts eight independent states as comprising the region—Burma, Thailand, Viet-Nam, Cambodia, Laos, Malaya, Philippines, and Indonesia—but several fragmentary dependencies—Singapore, Sarawak, Brunei, North Borneo, and Portuguese Timor—are likewise included. Of the latter group all but Portuguese Timor are

British. Western New Guinea, under Dutch administration, constitutes a special case and normally is not considered to be a part of the region.

As might be expected, some authorities take exception to Dr. Fifield's delineation of Southeast Asia. Some authors include Taiwan in this region, despite the close relationship of that island's history to China and Japan. On the other hand, one seldom, if ever, finds Hong Kong and Macao included in any discussion of Southeast Asia. Even though it is far to the west, some foreign authors include Ceylon in the region. Other authorities would reduce the extent of Southeast Asia as defined by Dr. Fifield. British usage, for example, tends to omit the Philippines. Again, according to some scholars the term "Southeast Asia" should actually apply only to the mainland of the Asian Continent; thus Indonesia as well as the Philippines would be excluded. Pakistan, by virtue of its membership in the Southeast Asia Treaty Organization, has a vital interest in Southeast Asian affairs, but only East Pakistan is geographically contiguous to the area.

Before Southeast Asia became a popular term, several names prevailed for identifying regional blocs in this general sector of the continent. Some of these names remain in good standing and are readily recognizable; but for the most part they are gathering cobwebs or retain only historical value. As one example, "Farther India," a term seldom heard now, refers to peninsular Southeast Asia. It may or may not encompass the Malay Peninsula. Complementing Farther India is the fading concept of Malaysia, which refers to an insular Southeast Asia, comprising all the islands—including the Philippines—that lie off the coast of Asia between the Indian and Pacific Oceans. It is the largest island group in the world. But these islands would also be included in the concept of Australasia.[1] Almost synonymous with Malaysia is "Malay Archipelago." However, the Malay Peninsula has at times been regarded as belonging to the former, whereas it is seldom included in the latter.

The East Indies

Although designating an area somewhat more restricted than Malaysia, "East Indies"—more specifically, "Netherlands East Indies" or "Dutch East Indies"—long served as a term to mark off the chain of islands extending from Sumatra to New Guinea. The familiar-sounding "Dutch East Indies" as a political term fell into disuse after Indonesia gained its independence in 1949. But geographically the term "East Indies" continues to designate all of the Indonesian islands, together with British Borneo, Portuguese Timor, and the island of New Guinea and its offshore islands. "East Indies" may also apply to a more widespread area, in some cases including the Philippines. The term has even been used collectively to denote India, Farther India, and all the Malaysian area—this broad usage probably dating back to the old concept of the mystic lands of the East, from whence came the spices. Finally, vague though it is, the term "the Indies" when used alone also means East Indies.

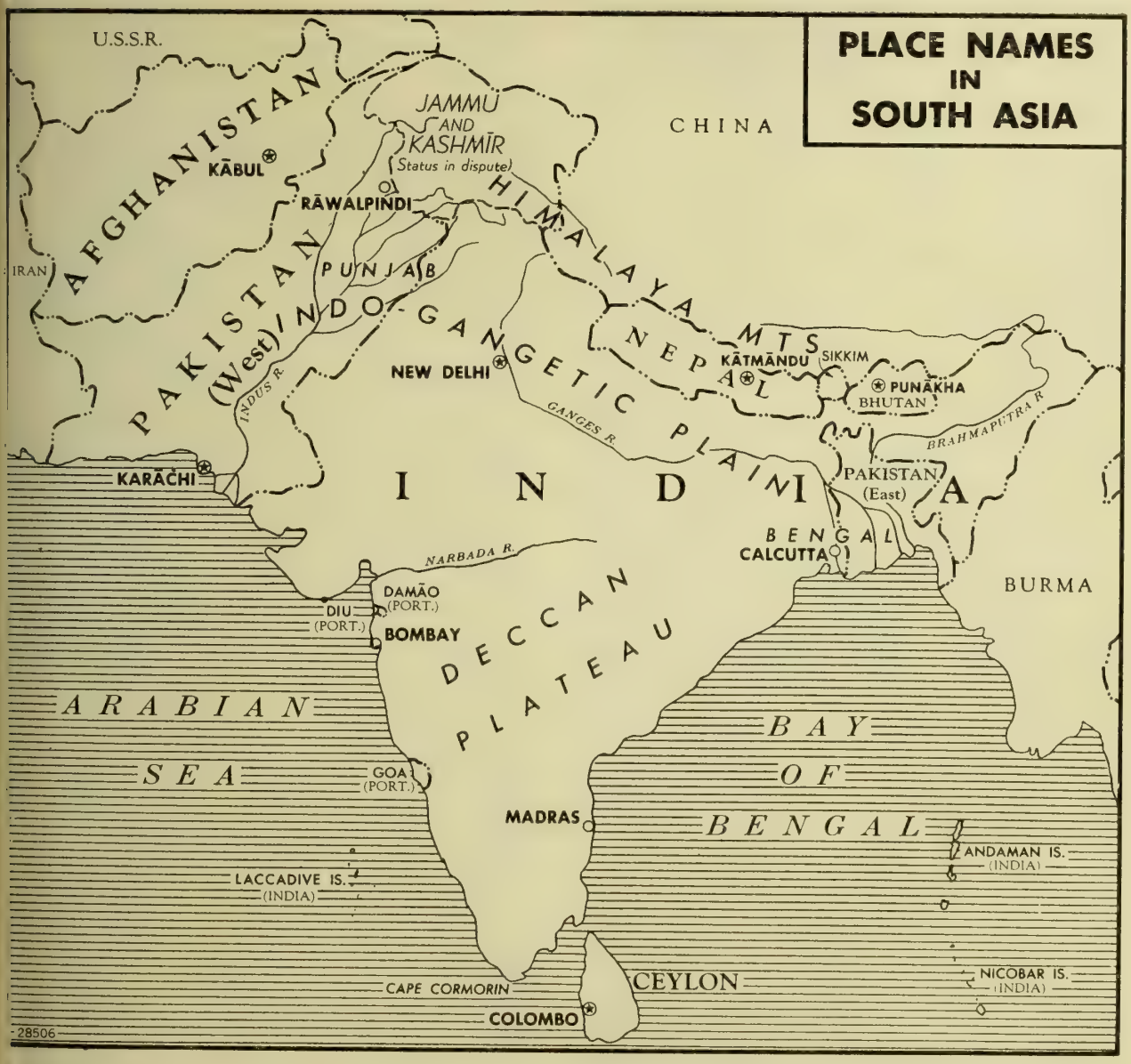
Indochina

Indochina (previously hyphenated as Indo-China) defies rational definition. Geographic and political versions of the name depart markedly one from the other, the latter now retaining only a historical meaning. In a purely physical sense Indochina is usually identified as being coextensive with peninsular Southeast Asia, probably excluding the Malay Peninsula by intent if not by actual definition.

Conflicting with this geographic connotation, the term "Indochina" in a political sense formerly was used only in relation to the French colonies of the peninsula. "French Indochina" was limited territorially to the eastern part of peninsular Southeast Asia comprising Annam, Cambodia, Cochinchina, Laos, and Tonkin, all major administrative divisions within French Indochina. The creation in the early 1950's of the independent states of Viet-Nam (encompassing Annam, Cochinchina, and Tonkin), Cambodia, and Laos vacated the name "French Indochina" as a valid political entity. The area including Viet-Nam, Cambodia, and Laos continues to be called Indochina, but without much justification. If used at all, the term should also include Thailand, Burma, and possibly Malaya.

It is interesting to see how some other countries apply regional names to Southeast Asia. The Chinese call it *Nanyang*, translated as "South Ocean." Similarly, the Japanese say *Nanyō*, which means "Southeast Seas Area." The Aus-

[1] Australasia is rarely associated with the area under discussion, though according to most interpretations the two would overlap.



ralians, on the other hand, being faced with another set of directions in viewing this part of the world have quite recently originated the rather startling term of "Near North." If we wished to apply the same reasoning in our part of the world, we could perhaps call the Caribbean Islands and the northern coastal section of continental South America as the "Near South."

The Word "Malay"

Within Southeast Asia the word "Malay" is the key to a variety of regional concepts, both geographic and political. Malaysia and Malay Archipelago have already been discussed, but, in a much more restricted sense, Malay, when used alone, refers only to the peninsula of that name. The Malay Peninsula includes the Federation of Malaya, or simply Malaya, and small sections of Burma and Thailand. Immediately to the south and connected by a causeway lies the island of Singapore, recently elevated in status from a crown colony to a state within the British Commonwealth. Traditionally any reference to the Malay Peninsula in a political sense included Singapore. But the independence of Malaya in 1957 severed the intricate administrative relation-

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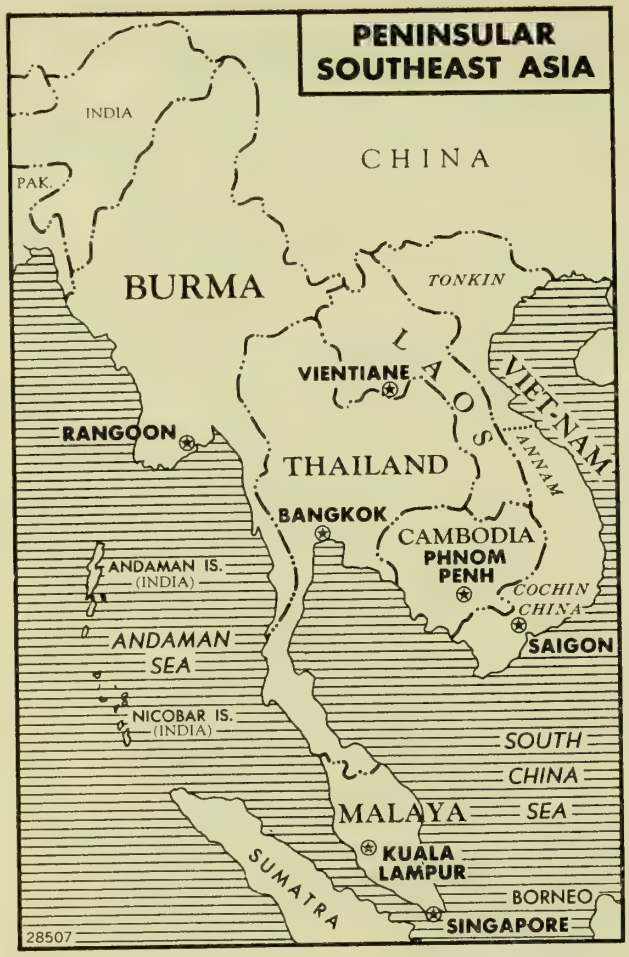

ship between the two political entities. Note that the addition of an "a" to Malay, as in Malaya or in former British Malaya, refers to a political rather than geographic area. Three other terms no longer need to be considered except in a historical sense: "Malay States," "Federated Malay States," and "Unfederated Malay States"—all records of water under the bridge in the sequence of events brought about by resurgent nationalism in Southeast Asia.

"Philippines," "Republic of the Philippines," and "Philippine Islands" are not synonyms. "Philippines" is the short form of "Republic of the Philippines" and is used more and more in referring to the relatively new island republic except on official documents. "The Philippine Islands" is strictly a geographic term, not employed by the Filipinos to designate their national domain. As an example, one could say that Manila is located in the Philippine Islands and that it is the present seat of government of the (Republic of the) Philippines.[2]

Far East

Passing counterclockwise from Southeast Asia along the periphery of the continent one reaches the vast region made up of China, Japan, and Korea. Maritime Siberia as well as scattered offshore islands may at times be considered as part of the same region, though usually by inference rather than by definition. "Far East" appears to be the most acceptable term for the area in question. It has the asset of long tradition in applying to the eastern part of Asia. On the other hand, "Far East" denotes no sharp delineation. The broadest definition normally given would consist of the enormous land mass of Asia eastward from the Khyber Pass and Lake Baikal. Even South Asia and Southeast Asia would be incorporated into this broad interpretation of the term. Conversely, the narrowest interpretation would confine the area to Japan, Korea, and a China shorn of its innermost reaches. It is readily apparent that South Asia and Southeast Asia are terms far more precise than Far East.

Another term not without some specific regional connotations is "East Asia." Less widely recognized than Far East, it may be applied to about the same area. In the new geography textbook *The Pattern of Asia*, edited by Norton Ginsburg of the University of Chicago, "East Asia" is given preference over "the Far East." The point is made that ". . . the term 'Far East' came to be applied to East Asia." As a further example, the Japanese prior to World War II coined the expression "Greater East Asia Coprosperity Sphere." Here a regional term lent itself to political and military action.

More vague than either "the Far East" or "East Asia" is the term "Orient." Though strong in cultural implications, it is becoming obsolete in a regional sense. However, there are those who continue to look upon China and Japan as the Orient. Others would also sweep Korea and Southeast Asia into the category because of common cultural patterns and religious traditions as

[2] Quezon City has been decreed the capital of the Philippines, but as yet most government offices remain in Manila pending actual transfer.

well as a somewhat similar physiognomy of the people throughout this larger region. Indeed, some extremists deem anything "east of Suez" as "oriental." It can be noted, however, that the word "Orient" as an antonym of "Occident" does not necessarily carry a regional meaning and thus may well apply in a cultural sense to all of Asia.

Northeast Asia

The area normally included in the Far East breaks down into two clear-cut divisions: (1) Northeast Asia and (2) China. The Japanese islands and Korea together make up "Northeast Asia," a term rapidly gaining favor politically if not geographically. Manchuria and the eastern part of the Soviet Union fit into any logical locational concept of this region, since they also lie north and east in Asia. But any term delineating such a heterogeneous combination of political entities and parts of political entities serves no well-defined purpose other than for consideration of the physical landscape. Hence, for most effective applications of the term, "Northeast Asia" is limited to Japan and Korea. One would therefore hardly envision it—encompassing only two countries—to be complementary to a more spacious Southeast Asia in any worldwide pattern of regional blocs. China itself makes up the second of the Far East subdivisions, and its politicogeographic complexity entitles it to special consideration.

Greater China

The vast area of Greater China in its traditional sense holds within it five politicogeographic regions that have survived for centuries in one form or another and are still known today: Manchuria, Mongolia, Sinkiang, Tibet, and China Proper. In size each one would compare favorably with a group of Western European countries. Their geographic limits, never sharp in themselves, have seldom coincided with the ever-changing limits of political control. Even in the face of ill-defined borders, these major subdivisions are widely accepted to designate segments of the eastern Asia mainland.

Manchuria. Wedged between Soviet territory and the Korean peninsula, the Manchurian region is sometimes called Northeastern China. In the 1930's the Japanese incursion into Manchuria changed the name on maps to Manchukuo (or

Manchoukuo) but without widespread or lasting effects.

Mongolia. Mongolia is an area of internal drainage suited only to nomadism, occupied by Mongols, lying north of the Great Wall. The wide expanse of Mongolia further subdivides geographically into Outer and Inner Mongolia, the latter less arid and lying nearer China Proper than the former.

Sinkiang. Sinkiang is made up of a series of large basins and broad tablelands loosely stretching from the Kirgiz Steppe to the Kunlun Mountains. The western and central parts correspond to Chinese Turkestan (or Turkistan).

Tibet. Known as the "roof of the world," Tibet is formed by a high plateau rimmed by still higher mountains that have over the centuries fostered the development of an isolated politicoreligious regime. The name "Tibet" has both physical and political meaning, though in the East the two do not necessarily coincide.

China Proper. The name "China" itself long had two meanings. It could be construed as encompassing the four outlying areas of Manchuria, Mongolia, Sinkiang, and Tibet—often called Greater China. Or it might exclude them and be coextensive with the 18 old provinces south of the Great Wall.[3] This area, known to geographers as China Proper, closely corresponds to the popular conception of China as a land of teeming mil-

[3] Anhwei, Chekiang, Fukien, Honan, Hopeh, Hunan, Hupeh, Kansu, Kiangsi, Kiangsu, Kwangsi, Kwangtung, Kweichow, Shansi, Shantung, Shensi, Szechwan, and Yunnan.

lions. Even here there is a well-established breakdown into North China and South China, with cultural overtones based on regional differences.

In contrast to the broad dimensions of China, the narrow limits of Japan furnish few regional concepts of any appreciable dimensions. "Northeast Japan" and "Southeast Japan" are well recognized, each based on segments of the populous Pacific margin of the islands. Several other areas, some of them quite small, have likewise become associated with well-known names. Of primary importance are the names of the four major islands that comprise the country and also serve as regional names: Honshu, Hokkaido, Kyushu, and Shikoku. Honshu has nearly 60 percent of the area and approximately 75 percent of the population of Japan and, because of its relative importance, frequently assumes the role of the archipelago's "mainland." The situation is somewhat comparable to that of Great Britain in its relation to the British Isles.

The geographic term "Inland Sea" (*Seto Naikai*) identifies the busy body of water separating Honshu from Shikoku and Kyushu. In the center of Honshu a zone of rugged volcanic mountains has assumed recognition as the Japanese Alps. Finally, almost on a miniature scale, are the Kanto, Nobi, and Kinki Plains along the southern Honshu coast, which are fertile pockets supporting the largest cities and densest population.

Department of State Regional Bureaus

The crescent-shaped southern and eastern portion of Asia under discussion falls within the jurisdiction of two regional bureaus in the Department of State. In the Bureau of Near Eastern and South Asian Affairs (NEA) the Office of South Asian Affairs (SOA) carries responsibility for an area closely corresponding to the concept of South Asia presented in this article.

In the Bureau of Far Eastern Affairs (FE) the relationships between regional responsibilities and the politicogeographic area known as the Far East are apparent but somewhat more intricate than in SOA. The Office of Southeast Asian Affairs (SEA) covers peninsular Southeast Asia except Malaya, Singapore, and British Borneo. These latter plus Indonesia and the Philippines, normally considered as part of the same region geographically, make up part of the extensive coverage of the Office of Southwest Pacific Affairs (SPA), which also includes almost all of Oceania.

The Far East as we have visualized it in this article is divided between the Office of Chinese Affairs (CA), which is responsible for affairs on the Communist-controlled mainland, in free China, and in Hong Kong, and the Office of Northeast Asian Affairs (NA), the latter encompassing only Japan, the Ryukyus, and Korea. Thus, with but one noteworthy modification—that of insular southeast Asia—the Departmental breakdown of regional offices within the regional bureaus does not deviate from accepted geographic concepts.

East Versus West

Somewhere seaward from the outer eastern periphery of the Asian Continent lies a shadowy line which in the American mind divides East from West. Inheriting much of our directional outlook from Europe, we normally regard any point in Asia as being East. To us, the Far East is the same as it is for, say, a Belgian or a Greek. Such a concept is not always plausible from the standpoint of the distance involved. For example, from San Francisco to Tokyo the distance is nearly 20,000 miles if one measures in an easterly direction, but only 5,100 miles in a westerly direction.

Even though we think of Japan, the Philippines, and other parts of Asia as being in the East, a westbound crossing of the Pacific to Asia gives us a western outlook in relation to the ocean itself and its western borderlands. Paradoxically, then, we may think of the Pacific's western margin as either West or East. Americans have come to associate certain areas with a western direction. For example, during World War II our experiences in the southwest Pacific turned our minds westward. Pearl Harbor and, later on, Tarawa, Guadalcanal, and Leyte loomed as trouble spots in the west. Likewise, we presently look into the setting sun toward our bastions of defense in the western Pacific, notwithstanding the fact that they lie along the margin of the Asian Continent itself. On the other hand, all conceptions of a "West" disappear with any fundamental analysis of the continent itself. The Koreans, the Japanese, the Filipinos, and others native to

Asian soil are unquestionably of the East. As Americans we have an antipodean way of thinking which is very special indeed.

Changing of Names

In any part of the world geographic place names inevitably undergo change with the passing of time. A new discovery, a new hero, an altered political outlook, or perhaps boredom with an existing order may stimulate innovations in geographic terminology. In some parts of southern and eastern Asia since World War II impressive lists of names have been switched, usually from a European to an Asiatic tongue. The Indonesians, for example, elected to substitute place names of their own language for those conceived by the Dutch during colonial days. With the introduction of *Djakarta* we no longer think of *Batavia*, former name of the great metropolis on the Island of Java. Some changes in Indonesia have been less revolutionary, as *Surabaja* for *Soerbaja*. Nor have island names escaped the Indonesian drive for its own terminology. One frequently sees *Djawa* for *Java*, *Sumatera* for *Sumatra*, *Kalimantan* for *Borneo*, *Sulawesi* for *Celebes*, and so on.

In India, too, place name changes evidence the surge of a new national spirit. Indians have vacated English names of provinces and cities in favor of their own. *United Provinces* became *Uttar Pradesh* (fortunately without changing the standard abbreviation). In some cases the changes have been rather obvious, as *Kānpur* for *Cawnpore* and *Banāras* for *Benares*. In other cases, city names that were already complex sounding in English became even more complex sounding in an Indian language. Two examples are *Tiruchirāppalli* for *Trichinopoly* and *Vizakhāpatnam* for *Vizagapatam*.

Summary

Increasing politicogeographic importance is being attached to the peripheral crescent of south and east Asia which must support more people than all of the rest of the world put together. The continued centrifugal expansion of world power from established centers in the Western World more and more embroils Asiatic regions in international politics. Since the close of World War II, Karachi,[4] New Delhi, Colombo, Rangoon, Djakarta, Kuala Lumpur, Phnom Penh, Saïgon, Vientiane, and Manila have all been added to the constellation of world capitals. On television it is not at all uncommon to hear on-the-spot commentators speaking from these cities as well as from London, Paris, Rome, Pretoria, Ankara, and Buenos Aires. It is essential to recognize South Asia, Southeast Asia, and the Far East as the critical world regional blocs that they are and to know them well in terms of geographic nomenclature. Should more precise meanings be required for these and other regional terms, one may always specifically say what is included. To do so by no means invalidates the usefulness of the terms themselves.

Americans Reminded To Reregister Mining Concessions in Cuba

Press release 18 dated January 15

In connection with Cuban Law 617 issued by the Cuban Council of Ministers on October 27, 1959, and published in the *Official Gazette* of the Republic of Cuba October 30, 1959, American citizens are reminded of the deadline of February 27, 1960, for the required reregistration of title of ownership of mining concessions in Cuba. Solicitors and nominal beneficiaries of exploitations of minerals classified under the second and third sections in the Decree Law of Bases of December 29, 1868, in Cuba must also reregister their requests. These registrations are to be made with the Mine and Petroleum Department of the Cuban Ministry of Agriculture in Habana, Cuba. The Cuban law provides that, if registration is not made in accordance with the provisions of law, ownership and concession rights revert to the state.

In effecting the reregistration, the law states grantees are obligated to declare, if appropriate, the name and other personal data of persons to whom the mines are leased.

The Department understands that the reregistration taxes are as follows:

[4] Pending the construction of the new capital city on the Potwar Plateau, Rawalpindi is serving as the administrative center of Pakistan. Meanwhile, Karachi remains the legal capital.

(a) Payment of $100 for reregistration request for each mine.

(b) Payment of an annual tribute of $20 per hectare for mines which are not under adequate exploitation in the judgment of the Mine and Petroleum Department of the Ministry of Agriculture.

(c) Payment of a $10 annual tribute per hectare for mines which are being adequately exploited in the judgment of the Mine and Petroleum Department.

The law also provides that, aside from the annual tribute on the surface level, grantees are obligated to pay the state as a share 5 percent in cash or in its equal value as determined by the state on the calculated value of the minerals extracted in their concessions in accordance with the highest average yearly quotation registered in the world market. If exported, the participation of the state in the minerals or concentrates of minerals will be 25 percent of the value thereof.

United States Protests Cuban Property Seizures

Department Statement

Press release 7 dated January 11

Ambassador Philip W. Bonsal, who returned to Habana on Sunday [January 10], delivered today [January 11] to the Ministry of Foreign Relations a note,[1] prepared in the Department of State during the Ambassador's period of consultation in Washington, protesting to the Government of Cuba the numerous actions taken by officials of that Government which are considered by the United States Government to be in denial of the basic rights of ownership of United States citizens in Cuba—rights provided under both Cuban law and generally accepted international law.

The actions in question involve principally the seizure and occupation of land and buildings of United States citizens without court orders and frequently without any written authorization whatever, the confiscation and removal of equipment, the seizure of cattle, the cutting and removal of timber, the plowing under of pastures, all without the consent of the American owners. In many cases no inventories were taken nor were any receipts proffered nor any indication afforded that payment was intended to be made. These acts have been carried out in the name of the National Agrarian Reform Institute.

(A case was cited in which a marine dredge and a tugboat under United States registry valued at approximately half a million dollars were seized without any written authorization, inventory, or receipt.)

Several of these cases have been previously brought to the attention of the Government of Cuba by the Embassy of the United States but without result. Nor have the direct protests of the interested parties been fruitful.

The United States Government in its notes of June 11 [2] and October 12, 1959,[3] to the Government of Cuba expressed its full support of soundly conceived programs for rural betterment, including land reform. This support has been demonstrated by United States assistance given such programs in many countries. However, the United States Government at the same time expressed its firm belief that their attainment is not furthered by the failure of the Government of Cuba to recognize the legal rights of United States citizens who have made investments in Cuba in reliance upon the adherence of the Government of Cuba to principles of equity and justice.

[1] Not printed; for a Department statement concerning Ambassador Bonsal's meeting with Cuban President Osvaldo Dorticos at Habana on Oct. 27, 1959, see BULLETIN of Nov. 16, 1959, p. 715.

[2] For the substance of the note of June 11, see *ibid.*, June 29, 1959, p. 958.

[3] Not printed.

Operation of the Mutual Security Program, January 1-June 30, 1959

EXCERPTS FROM 16TH SEMIANNUAL REPORT TO CONGRESS[1]

PRESIDENT'S LETTER OF TRANSMITTAL

To the Congress of the United States:

Transmitted herewith is the Sixteenth Semiannual Report on the operation of the Mutual Security Program for the period ending June 30, 1959. The report was prepared under the direction of the Coordinator for the Mutual Security Program by the Department of State, including the International Cooperation Administration, the Department of Defense, and the Development Loan Fund.

The information set forth in the report demonstrates once again that today our national security is directly involved with nations and happenings throughout the world.

The Mutual Security Program is flexibly designed to meet military threats where they occur and to make an effective contribution toward the cooperative effort of the nations of the free world to promote economic development.

The economic problems of the newly developing nations of the world pose a challenge to our wisdom and energy, and to our steadfastness of purpose, that is as demanding in its own way as the blunt threat of an armed attack. Our economic development and economic aid programs are designed to meet this challenge and its ever-changing problems by selective and prudent use of the talents and resources available under the Mutual Security Program.

The military, economic and technical assistance provided by the Mutual Security Program is essential to the achievement of our foreign policy objectives. A strong Program, vigorously and intelligently implemented, will see the challenge that confronts us surmounted. But a weakening of the Program can only invite the destruction of our free-world society.

This report affords the Congress a means of measuring what has been done by the United States and its friends to preserve a world where men and nations can live in freedom, without fear.

DWIGHT D. EISENHOWER

THE WHITE HOUSE
January 14, 1960

I. CHALLENGE AND RESPONSE

In the 14 years since the end of World War II it has become entirely clear that the social, political, and economic structure of the world is undergoing a profound and sometimes violent change. Old empires have disappeared and new countries have risen in their place. Nearly all of them live with intense desires for rapid internal developments. Taking advantage of the hopes of the new countries, as well as of the dislocations and exhaustion of the war, the Soviet Union extended its control in the immediate postwar years over formerly independent countries, and continues its efforts to extend and increase its control everywhere else.

The Mutual Security Program (MSP) is one of

[1] H. Doc. 299, 86th Cong., 2d sess.; reprinted here are chapters I through IV. Copies of the report may be obtained upon request from the Office of Public Services, Department of State, Washington 25, D.C.

the most important tools designed to cope with the external dangers to the security of the United States. In the broadest sense, it protects our security by shielding the free world from external attack. At the same time behind the shield, it is helping to strengthen its political and economic stability. The danger we face externally is complex and continuing. At one end of the scale it begins with the skillfully manipulated military threat of the Soviet Union to the physical safety of the United States, its allies, and other nations of the free world. At the other end of the scale it ends with a more diffuse but no less real threat. This is the explosion that may result if people in the emergent countries are frustrated in their determination to end the squalor and hunger and sickness in which they live. As these are totally different kinds of danger to our security, so must the methods employed in dealing with them be different.

With the end of World War II, the nature of the threat to the United States and the West altered abruptly. From the clear cut test of war with the Axis Powers, the threat shifted to the shadowy area where the economic exhaustion of our Western allies might make them powerless victims of the Soviet Union, whose leaders were flushed with victory and intent on extending their power westward until stopped. This threat was countered by the "Marshall Plan" which was designed to restore vigor to the exhausted economies of Western Europe and thus encourage in the peoples and governments of Western Europe the will to protect their independence. The associated military threat posed by the existence of huge Soviet forces garrisoned in the Baltic States, Poland, East Germany, Austria, and Hungary was countered by the creation of the North Atlantic Treaty Organization (NATO). The United States provided much of the motive force in developing the military forces of the NATO countries, and in the earlier days of NATO provided the lion's share of the modern equipment used by NATO forces. The United States also furnished much of the military leadership in the higher echelons of NATO.

The economic viability of Western Europe was restored, in part by the assistance furnished through the Marshall Plan, in part by the vigorous efforts of the western Europeans themselves, and in part by the cumulative effect of these and other factors on the revival of world trade. When it had accomplished its purpose (ahead of schedule), the Marshall Plan was terminated in 1951. The introduction of limited currency convertibility in late 1958—which meant in fact that all western European currencies were "hard"—symbolized the return to full vigor of the European economy.

While the favorable nature of the economic, political, and military developments in Europe permitted the termination of the Marshall Plan and the substantial scaling down of military aid in that area, the Soviet threat to Western Europe and the overall threat to the security of the United States continues; checked in Europe, it has broadened its scope and assumed less easily identifiable forms.

The Mutual Security Program is designed in part to cope with the military threat to the free world. The continuation of this threat will in all likelihood require the continued existence of its military arm, the Military Assistance Program. But even if the military threat were to disappear tomorrow, other problems of almost equal severity would continue to call on our ingenuity and our resources. These problems, often hard to identify at first glance as threats to the United States, are in general centered around the aspirations of the new and underdeveloped countries of Africa, Asia, and Latin America. The drive to achieve these aspirations, sometimes called the revolution of rising expectations, has its internal political expression in every country concerned. Here millions on millions of people have seen that it is not ordained that they must live in perpetual squalor and illness, on the ragged edge of starvation, and their political leaders press the point home. In a variety of ways this revolution is moving forward by fits and starts, often uncertain of its direction, sometimes involved in the free world struggle against communism, sometimes not. The American people sympathize with these aspirations, and wish the new and underdeveloped countries well in their struggle to improve their lot. But sympathy aside, it is clearly in the interest of the United States that we assist this movement so that the underdeveloped countries may take their place as free, independent and prosperous members of the community of nations as quickly as possible and with the least possible stress and turmoil. It

is equally against our interests that this forward movement be stifled or hindered. To hamper this movement would breed only frustration and more explosive threats to political and economic stability.

One of the sparks that set off the revolution of rising expectations early in the postwar period was the dramatic effect of the worldwide application of public health measures. Malaria was almost wiped out in large areas of the world, thus reducing the death rate drastically. Other health measures applied for the first time on a large scale had equally startling effects, and stemming from them, at least in part, what constitutes a significant rise in the population figures is now under way. The explosion is taking place in the least developed countries, those most possessed by the revolutionary urge to improve the physical lot of their people, and those least able to cope with the deluge of new mouths to feed. Thus, where creating a viable modern society would have been a difficult job at best, it now becomes immensely more complicated and more urgent. The rapid growth of population may well prove to be one of the greatest obstacles to economic and social progress and the maintenance of political stability in many of the less developed areas of the world.

These are some of the great problems affecting the security of the United States at both short and long range, with which the Mutual Security Program is designed to deal. The nature of the threats to the security of the United States and the stability of the free world have shifted during the 10 years of life of the MSP. We must also expect that the nature of the problems we face in 1959 will change in the years to come, and our response to the new face these problems present must also change accordingly. To meet these shifting problems, the introduction of new tools and techniques—the International Development Association for example—is well underway.

The United States can neglect or ignore only at its own ultimate peril the grave problems sketched in the preceding paragraphs. It has been clearly recognized that they constitute a threat to our security; they have been and are being dealt with. What has been the price for coping with these problems through the Mutual Security Program? For fiscal year 1959 the Congress appropriated $3.4 billion for all MSP activities, of which $1.5 billion was for military assistance. This figure of $3.4 billion was .74 percent of our Gross National Product, 4.3 percent of the Federal budget, and equal to 8.4 percent of the military appropriations for the year. To help put this sum in better perspective, during fiscal year 1959 the American people spent $17 billion on recreation, including $3 billion on radio and television, $30.4 billion on the purchase and operation of automobiles, and $4.5 billion on household furniture.

The following pages contain the record of the problems with which the Mutual Security Program contended during fiscal year 1959 and the steps taken to solve these problems. Sometimes the response failed of its purpose; far more often, however, the hard work, ingenuity, and skill of the military and civilian authors and executors of MSP, using the tools with which they were equipped, achieved the results sought for.

II. THE DRAPER COMMITTEE REPORT

In November 1958 the President appointed a committee composed of distinguished private citizens to make an "independent, objective and nonpartisan analysis of the military assistance aspects of our Mutual Security Program . . ." The President indicated he was "particularly interested in your committee's critical appraisal . . . of the relative emphasis which should be given to military and economic programs . . ."[2]

The report prepared in response to the President's instructions is thoughtful, detailed, and comprehensive. It goes deeply into why the Mutual Security Program exists, how it operates, and the relationship between the two major parts of the program, military aid, and economic aid. A close study of the report will be well repaid with a clear understanding of the major forces

[2] For names of members of the Committee, see BULLETIN of Dec. 15, 1958, p. 954. For text of the Committee's report of Mar. 17, 1959, and the President's letter of transmittal to Congress, see *ibid.*, June 1, 1959, p. 796; for text of the Committee's letters of transmittal of their reports of June 3, July 13, and Aug. 17, 1959, to the President, together with the President's letters of transmittal to Congress, see *ibid.*, July 13, 1959, p. 46, Aug. 10, 1959, p. 208, and Sept. 14, 1959, p. 390.

at work in the world today, and how they affect American security.

The report makes constructive criticisms of some aspects of MSP and offers recommendations for changes designed to cure the flaws it discerned, in both military and economic aspects of the program. These recommendations are now under intensive study in the executive branch of the Government, and certain of them have already been adopted.

The following paragraphs briefly sketch out and summarize some of the major conclusions and recommendations of the Committee.

In response to the President's request for a critical appraisal of the relative emphasis which should be given to military and economic programs, the committee observed that it knew of no continuing formula that could satisfactorily determine the relative emphasis, whether overall or in respect to any particular country.

The Committee stated that from the standpoint of U.S. interests it saw no competitive relationship between military and economic assistance, and did not consider that the Military Assistance Program (MAP) is too great in relation to the economic aid and development program.

In another recommendation of a general nature, the Committee urged a major, sustained effort to make available to the public all the facts about the program. In order to do so it recommended that:

> . . . Presidential instructions be issued to the appropriate agencies to institute vigorous measures to inform the American public adequately concerning MSP; and . . . that unjustified attacks upon the program be answered publicly, promptly and forcefully. . . .

Military Assistance—Past Performance

1. The Mutual Security Program has played a significant role in deterring a third world war, in keeping many nations free, in supporting our strategic system of alliances and overseas bases, and in providing hope for economic progress among the peoples of the less developed countries.

2. The Military Assistance Program has provided cohesion, strength, and credibility to our collective security arrangements. It . . . has been one of the principal instruments abroad supporting our foreign policy objectives over this decade of clash with communism.

3. It provided a large part of the weapons, material, and other support which made possible the rearmament of Europe. For the past decade, further Communist encroachment in this vital area has thereby been denied, and the North Atlantic Treaty Organization continues as an essential security bulwark of the free world.

4. It achieved the strengthening of the nations around the periphery of the Sino-Soviet bloc.

5. The Military Assistance Program influenced a shift in current Communist tactics from direct military aggression to subversion, propaganda, and economic offensives.

Military Assistance—Recommendations for the Future

1. The Committee concluded that the necessary average level of expenditures that should be marked for military assistance over the next few years is not likely to be less, in general, than that required in the recent past. Continued appropriations at the present $1.5 or $1.6 billion level would result in a reduction in the program by one-third of the present ratio of deliveries.[3] The Committee pointed out that such a reduction would in fact amount to a fundamental change in U.S. national policy, implying a strategic retreat in the face of the Communist threat.

2. $400 million should be made available, primarily for the NATO area, in addition to the $1.6 billion requested for fiscal year 1960.[3]

3. Military assistance should be planned and proposed on a long term basis—3 and later 5 years.

4. There should be a continuing authorization for the military assistance appropriation, in order to provide a sound legislative framework for multiyear planning and programing.

5. The military assistance appropriation should be placed in the Department of Defense budget. (It has been carried heretofore as a major separate item in the budget of the Mutual Security Program, with Technical Cooperation, the Development Loan Fund, and so forth.)

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[3] This portion of the Committee Report was written in early 1959, during fiscal year 1959, when appropriations were $1.5 billion. Appropriations for MAP for fiscal year 1960 were reduced by the Congress to $1.3 billion. [Footnote in original.]

Economic Aid—Past Performance

1. The substantial expenditures made in recent years for economic assistance are justified on grounds both of enlightened self-interest and of our moral responsibility to ourselves to do what we can to help other people realize their legitimate aspirations.

2. Economic aid programs assist less developed nations in achieving economic progress and thereby promote an international climate which facilitates the realization of our own national objectives and those of the free world. At the same time, these programs decrease the opportunities for Communist political and economic domination.

3. Irrespective of the Communist threat, the economic development of these nations is a desirable end in itself. The United States cannot prosper in isolation. The strength of our economy and the survival of our free institutions are dependent upon our being a part of a community of nations which is making acceptable economic and political progress.

4. There is no implication (by the Committee) that we must continue all of our economic assistance programs indefinitely.

5. The economic development of a country is primarily its own responsibility. Aid . . . should not ordinarily be furnished and cannot achieve real results unless the recipient nation has the desire and determination to help itself.

6. Many forms of U.S. economic assistance must continue for as long as the Communist threat exists, and certainly until greater economic progress has been made in underdeveloped nations.

7. Management of our aid activities has become an extraordinarily difficult administrative undertaking. While administration and coordination of these programs has improved in recent years, there is no question that some of the criticisms made in connection with economic aid programs are justified. However, the programs must be continued and better administered not emasculated or abandoned.

Recommendations for Future Economic Aid

1. Starting in fiscal year 1961 funds for development lending under the Mutual Security Program should be made available at the rate of $1 billion a year.

2. Continuing authorization and longer range funding should be provided for the Development Loan Fund (DLF). (At present authorization, i.e., the continued life of DLF, has been provided by the Congress on a 2-year basis. Appropriations for the lending capital of the Fund have been made annually. These procedures make forward planning by the United States and the borrowing country extremely difficult.)

3. Continuing authorization should be provided for technical assistance. (Congressional authorization, i.e., continued life, is given to the Technical Cooperation Program on a year-to-year basis. The nature of technical cooperation (described briefly in chapter 2) is such that projects can rarely be planned and brought to completion in 1 year. Sensible and prudent planning of effective projects thus becomes very difficult.)

4. Available surplus agricultural commodities should be utilized more effectively, extensively, and flexibly than at present in support of mutual security objectives.

5. A single agency should be responsible for administering the major related economic assistance programs and activities.

III. OPERATIONS OF THE PROGRAM

Fiscal Aspects

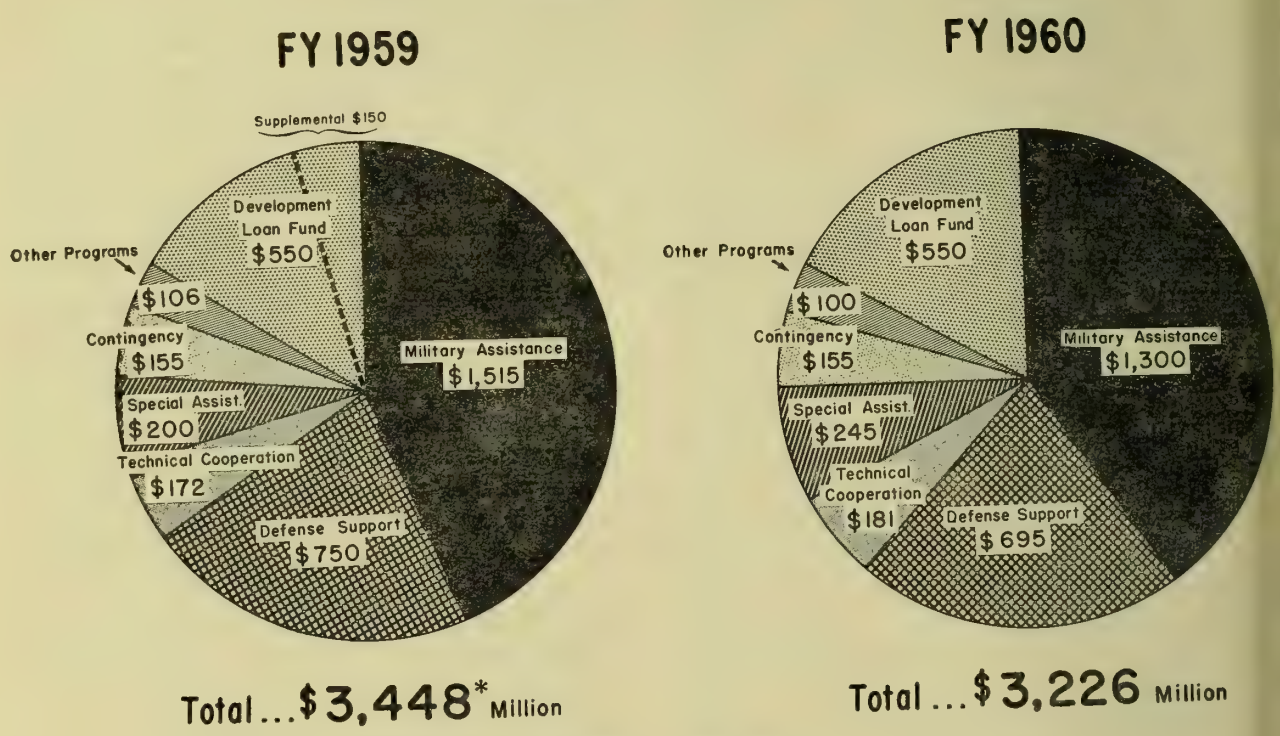
For fiscal year 1959 the Congress appropriated $3.448 billion for the Mutual Security Program. This figure included a supplemental appropriation of $150 million for the Development Loan Fund. The chart on p. 164 illustrates how MSP funds were divided among major elements of the program. Table 1 illustrates the allocation of funds by region and type of assistance for fiscal year 1959.

The sum appropriated by the Congress, in legislation finally approved on August 28, 1958, was 16 percent less than that requested by the President. It amounted to ¾ of 1 percent of our Gross National Product in 1958, and was slightly more than was spent by the American people for radio and television sets in 1958.

With Mutual Security Program funds, aid was given to 60 countries during fiscal year 1959. The great variety of purposes it was designed to achieve are described in detail later in this report. $1.551 billion in military assistance was provided to 38 countries, and $807 million in defense sup-

MUTUAL SECURITY APPROPRIATIONS

($ Millions)



*Includes DLF supplemental appropriation of $150 million.

port was obligated under programs in 12 countries, all of which (with one exception—Spain) are on the periphery of the Sino-Soviet bloc. $282 million was obligated for special assistance, and $166 million for the Technical Cooperation Programs, carried out in 49 countries and 9 territories. The Congress appropriated $550 million for DLF operations during the year. Against available loan capital formal loan offers of $596 million were made, and $522 million was obligated.

In general it should be noted that a substantial proportion of the goods and services purchased or ordered with funds appropriated by the Congress are not actually delivered during the same year for which the funds are appropriated. This is due to time necessarily consumed in planning, and in ordering, manufacturing, and final delivery of the goods or services in question. Most, although not all, of the goods and services which were ordered—that is, for which funds were obligated—in fiscal year 1958 were actually delivered in fiscal year 1959. Similarly those for which funds were obligated in fiscal year 1959 will be delivered during fiscal year 1960. In general payment for goods and services is made at the time of delivery . Therefore, most funds appropriated by the Congress for fiscal year 1959 and obligated by the MSP during fiscal year 1959, are actually paid out as expenditures during fiscal year 1960, and in subsequent years.

Operations

The operations of the MSP during fiscal year 1959 were affected by a series of crises during the first half of the fiscal year, and relatively normal operating conditions during the second half. Between July and December 1958 the Lebanon crisis occurred, the Iraq Government was overthrown by revolution, a grave crisis developed in Jordan, a coup d'etat took place in Pakistan, and the Government of Sudan fell. In addition the Berlin crisis was precipitated by the U.S.S.R. On the other side of the world, the Taiwan Strait crisis was precipitated by the Chinese Communists. This list by no means exhausts the catalog of countries in crisis and ferment during the year; some like Tibet, had no direct impact on operations o

the MSP. Other countries, like Iran, while not inflamed by internal crisis, were subjected to the stresses and tensions created by revolutions in adjoining countries.

The second half of the year was relatively free of crises. MSP operations, after adjusting to the problems created in the first half of the year, went forward in as normal a fashion as is possible in such an immensely complicated operation.

Administratively, strenuous efforts were made to increase efficiency, both by the Washington agencies involved and their representatives in the field. The Draper Committee report, described in more detail elsewhere in this report, pointed out that "there is no more difficult administrative undertaking in the United States Government than . . . the management of the various economic assistance programs . . ." Measurable progress was made in recruiting personnel well adapted to overseas life, and in training them after recruitment. Various internal steps designed to speed up operations were taken. For example, by November 30, 1958, ICA had approved programs representing 89 percent of its fiscal year 1959 funds, compared with 26 percent a year earlier. By the end of December 1958, 38 percent of the funds available to ICA for fiscal year 1959 had been obligated, compared with 25 percent a year earlier.

Similar efforts to improve the administrative aspects of the Military Aid Program were also being taken.

Military Assistance Program (MAP)

The Military Assistance Program, for which $1.515 billion was appropriated in fiscal year 1959, is designed to help support the collective security effort of the free world and strengthen the common defense. The MAP cooperates with 47 countries in a great variety of ways. The actual form which military assistance takes varies from region to region and country to country, taking into account different capabilities, degree of threat and strategic importance, political climate, and economic strength. In general the criteria used in deciding whether to provide military assistance are the following: (1) the importance of the force being aided to the defense of the United States, or the protection against internal subversion of an area important to the security of the United States; the degree of inability of the recipient country (political, economic, or technical) to supply its needs from its own resources; and (2) the importance of an area because of its strategic position, and/or its strategic resources; its political support for U.S. objectives, or similar objectives not necessarily directly related to the countries' military strength, but vitally important to accomplishing broad U.S. security objectives.

The lion's share of the fiscal year 1959 MAP program went to the Far East ($695 million), and the Near East and South Asia ($415 million). Aid to Europe amounted to $345 million, to Latin America $55 million, and to Africa $12 million. These sums provided guns, aircraft, naval vessels,

TABLE 1

Distribution of Programs by Region and Category of Assistance, Fiscal Year 1959 [1]

(In millions of dollars)

Region	Total program	Military assistance	Defense support	Technical cooperation	Special assistance	Other programs	DLF
Europe	$461.6	$345.2	$49.9	$3.0	$33.0	--------	$30.5
Near East and South Asia	1,066.4	415.7	217.9	40.4	83.0	[2] $23.0	286.4
Africa	171.8	12.3	--------	15.5	102.6	--------	41.4
Far East	1,395.8	695.3	539.5	32.6	9.1	[3] .7	118.6
Latin America	159.2	55.3	--------	35.5	24.3	--------	44.1
Undistributed and nonregional	421.6	268.1	.4	40.6	30.2	81.1	1.2
Less prior year availability	−240.4	−240.4	--------	--------	--------	--------	--------
Total fiscal year 1959 program	3,436.0	1,551.5	807.7	167.6	282.2	104.8	522.2

[1] Preliminary figures. Military assistance data are program figures; other data are fiscal year 1959 obligations.
[2] Palestine refugees.
[3] Asian Economic Development Fund.

and the training of many men (and thus the upgrading of many forces). A detailed report of the operation of MAP will be found in each of the regional sections of this report.[4]

Defense Support (DS)

Defense support (administered by the ICA) is that economic assistance required, in addition to military assistance, in order to permit a specific contribution to the common defense by another country where U.S. military aid is helping to support significant military forces. Defense support country programs are described in detail in the regional sections of this report.

Defense support stems from specific military requirements, but its content is economic. The need for defense support is determined by (1) an analysis of the economic and financial capability of the country to meet the cost of the required military effort without incurring economic instability, and (2) the country's willingness to take all reasonable measures needed to develop its own defense capacities, consistent with its political, economic, and manpower capacity to do so.

During fiscal year 1959, $808 million was obligated for defense support—$540 million to the Far East, $218 million to the Near East and South Asia, and $50 million to one European country (Spain).

Development Loan Fund (DLF)

The DLF, described in detail in a separate chapter of this report,[4] is a new and powerful tool designed to support and encourage long range economic development in the less developed countries of the world. DLF's role is to provide capital to accelerate economic growth through direct loans and other forms of credit. For fiscal year 1959, its first full year of operation, the Congress appropriated $550 million in capital. The DLF undertakes financing only when presented with specific development proposals, and only when financing is unavailable on reasonable terms from private investments, the International Bank for Reconstruction and Development (IBRD), the Export-Import Bank, or other free world sources. It can accept repayment in local currencies, when warranted.

[4] Not printed here.

Technical Cooperation (TC)

Technical cooperation, which is administered by the ICA, is nothing less than an effort to convey the skills and techniques and accumulated experience of our society to those of the less developed countries which need them and want them. For the first time in history, through the U.S. Technical Cooperation programs, the U.N. Technical Assistance Program (UNTA), the Colombo Plan, the Organization of American States (OAS), and some others, the proven skills and techniques of the more advanced nations are being directed—deliberately and effectively—to attack on a broad scale the economic and social problems of the less developed countries. $166 million was obligated for TC in 1959, of which $21.6 million was directed to the U.S. share in UNTA, and $1.2 million to OAS. The balance was employed for bilateral technical cooperation.

Technical cooperation activities are generally organized in the form of jointly agreed projects, and the foreign government usually bears the greater share of the cost of the project. The TC program complements special assistance; defense support, and loans from the World Bank and DLF. For example, DLF and World Bank loans frequently have resulted from preliminary economic and technical feasibility studies, undertaken under the Technical Cooperation Program. One of the best examples of such complementary effort is the Lebanon Litani Basin development program. This development program is now being carried out with an IBRD loan, after its feasibility had been demonstrated by an American survey group provided under the Technical Cooperation Program. Technical cooperation projects have assisted in the establishment of productivity centers, the drafting of investment laws, and so forth. The need for different types of projects and the feasibility of completing them varies greatly from country to country.

Special Assistance

The Special Assistance Program, for which $282 million was obligated in fiscal year 1959 is economic aid necessary to achieve political, economic, humanitarian or other objectives of the United States in any country where the United States is not providing military assistance in support of significant military forces, and where needs for

such assistance cannot appropriately or fully be provided under technical cooperation or from the DLF. Special assistance, which is administered by the ICA, is also the source of funds for certain other programs (such as malaria eradication) which serve important U.S. interests and which are not appropriate for financing under other categories of assistance.

A common characteristic of most countries receiving special assistance is their strategic location; many of them are accessible and vulnerable to bloc penetration. During fiscal year 1959, $102 million was provided for special assistance in the Near East–South Asia area, $83 million in Africa, $24 million in Latin America, $25 million in Europe, and $9 million in the Far East. In addition $25.6 million was provided for malaria eradication, and $4.3 million for support to American schools abroad. The special assistance program is described in detail in a separate chapter later in this report.[5]

Section 517 of the Mutual Security Act

The Mutual Security Act of 1958 added Section 517 to the Act of 1954, as amended. That section became operative during fiscal year 1959. It sets up certain specific planning requirements as prerequisites to agreements or grants, constituting obligations of the U.S. in excess of $100,000, for defense support, special assistance, and certain other forms of economic assistance. The principal purpose of this section of the Act is to insure that necessary engineering, financial and other planning has been completed in advance of the obligation of U.S. funds for the final design or construction of a project. The procedures whereby this requirement is met, along with other related procedures followed in the administration of economic aid programs, are directed at avoiding the premature obligation of U.S. funds before there has been sufficient advance planning to assure that the assistance provided will effectively accomplish the purpose for which it is intended.

V. DEFENSE EFFORT—MILITARY ASSISTANCE

Military assistance, like the several forms of economic aid which make up the balance of the Mutual Security Program, is an instrument of U.S. foreign policy. All types of assistance provided to our allies complement each other in promoting the security and progress of the free world. This dual objective is directly reflected in the categories of aid which contribute to allied military strength and those whose primary purpose is to foster economic stability and development of the non-Communist world. Although neither category can be considered more important than the other, it is clear that security is a prerequisite to progress. Only behind the shield of common defense can the nations of the free world pursue their goals of continued independence, economic growth, and a better life for all their peoples in a world at peace.

That shield, the combined military strength of the United States and its free world partners, is in large measure the creation of the Military Assistance Program. In less than a decade, this pioneer venture in peacetime multinational military cooperation, starting almost from scratch and with no precedents to guide its development, has been instrumental in the creation of a common defense. All around the perimeter of the Iron and Bamboo Curtains allied forces which the Military Assistance Program has helped to train and equip stand ready to repel Communist probes designed to test free world ability and will to resist. These allied troops around the globe are our first line to deter, and to contain, local engagements which could all too easily explode into the ultimate disaster of total war.

Thus there emerges clear proof of the vital contribution of the Military Assistance Program to the security and defense of the United States. The relationship between military assistance, and the availability of overseas bases essential to effective deployment of our own advanced forces and missiles makes it even more strikingly apparent that national security is reinforced by collective security. The degree to which we benefit from our participation in the common defense of the free world, is sharply revealed in the following statement by the Secretary of Defense:

> We intend through our Military Assistance Program to continue to build up the forces of our allies. These are the forces which in many parts of the world would have to take the initial brunt of an aggressor's attack. Dollars spent wisely on them will increase our limited war, as well as our unlimited war capabilities, and save us many dollars in our own defense expenditures. Our Joint Chiefs of Staff recently stated, with complete unanimity, that they would not want one dollar added to our own defense

[5] Not printed here.

expenditure if that dollar had to come out of our Military Assistance Program.

The effective response of the Chinese Nationalist forces to the attempted aggression in the Taiwan Strait during the late summer of 1958 was possible only because the will to resist was backed up by military might brought into being by equipment and training provided through the Military Assistance Program. Had not such defensive strength been in existence at the time of attack, the outcome in the Taiwan Strait might have been very different. The United States might well, in fulfilling its international obligations, have had no alternative to direct intervention, with the inevitable risk of spreading conflict. Those who question the need for our support of such large forces on Taiwan and in other areas of the Far East should find adequate answer in the lesson of the Quemoy crisis. That the crisis was successfully weathered is largely attributable to the superior performance and high morale of allied forces in being—trained and equipped by the Military Assistance Program.

The existence of NATO's integrated fighting forces is attributable in large part to the Military Assistance Program, and is one of its most substantial accomplishments. It is also perhaps the single strongest bulwark against Communist aggression because the NATO forces constitute the shield which protects Western Europe—an area of more than 1 million square miles, 270 million people, great resources, and a reservoir of some of the highest technical, managerial, and cultural skills of the world. The strength of that shield is very directly related to the security of the United States itself, and it must be maintained at all costs.

The total expense of supporting the common defense efforts of our free world allies through the Military Assistance Program is neither exorbitant nor an unduly onerous burden on the national economy. In the first place, in recent years military assistance expenditures have accounted for only slightly over 5 percent of total U.S. expenditures for major national security programs. Secondly, the total spent for both military and economic aid in the Mutual Security Program has accounted for less than 5 percent of our total Federal Budget in recent years, and annually has represented less than 1 percent of our Gross National Product. Because our partners in the common defense effort have shared substantially in its financing, our own national security has been augmented at a cost far less than that of an equivalent overall increase in the strength of our own forces. Since the beginning of the collective security undertaking our allies jointly have expended from their own defense budgets almost seven times the total amount of our military assistance.

The tangible results of these expenditures, are reassuring although not a cause for complacency. Since 1950 active army forces of our allies have increased from 3,600,000 to 4,900,000 better trained and better equipped men, ready in the event of war. Combat ships assigned to the navies of the free world have more than doubled—from 1,200 to 2,500; and aircraft available for the common defense have increased from 17,000 to over 30,000. Impressive as is this numerical index of allied accomplishments, equally important—though less easily measurable—are the intangible byproducts. Chief is the strengthened self-confidence which has sprung from a more adequate defense posture. Our partners' determination to resist has become steadily firmer as they have acquired the ability to protect themselves against the threats and probing of potential aggressors. Knowing that they do not stand alone, but that the United States will collaborate with them, they have not faltered nor fallen back in times of crisis. Their stanchness warrants confidence in the future of the whole free world.

To support the Military Assistance Program adequately is therefore undeniably in the best interests of the United States; and to neglect it seriously jeopardizes those interests and our own national security. The following analysis of the status of military assistance funds clearly reveals the inevitable outcome if neglect occurs. It is an outcome we can far less easily afford than we can afford the funds necessary to insure that the Military Assistance Program will continue in full force as an essential instrument of U.S. foreign policy.

Status of Military Assistance Funds

Although the Military Assistance Program was initiated in fiscal year 1950, it was not until fiscal years 1951 and 1952, the time of the Korean crisis, that the United States began large-scale support of friendly foreign military forces to supplement the military capabilities of the United States. The military assistance appropriation for fiscal

year 1951 was $5.223 billion and for fiscal year 1952 was $5.267 billion. Since those years the appropriations have been gradually reduced. However, because of the long lead-time required in military procurement, the level of military assistance deliveries has remained relatively stable.

For fiscal year 1959 the Congress appropriated $1.515 billion for military assistance. During the course of the year an additional $15 million was provided for military assistance purposes from the President's contingency fund. Receipts from the military sales program during fiscal year 1959 totaled $28 million. Thus additional or new funds in the amount of $1.558 billion were made available during fiscal year 1959. That sum, plus a total of $3.373 billion committed but not expended from prior year appropriations, provided a total of $4.931 billion available for expenditure during fiscal year 1959. Expenditures during the year totaled $2.368 billion which left an unexpended balance as of June 30, 1959, of $2.563 billion.

For fiscal year 1960 the Congress appropriated $1.3 billion for military assistance. This smaller appropriation will result in a major reduction in the value of deliveries of goods and services that can be made in fiscal year 1960 and subsequent years. The reduced value of materiels and services that will be provided to recipient forces in fiscal year 1960 will result in a slackening in the rate of improvement of the overall capability of the allied forces through postponement of planned modernization, curtailment of essential training schedules, limitation of forward planning, and in general lowering of morale. Militarily, a reduced military assistance program increases the responsibility that must be carried by U. S. forces.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of International Conferences and Meetings[1]

Adjourned During January 1960

ICEM Executive Committee: 14th Special Session	Geneva	Jan. 5–14
U.N. ECE Steel Committee and Working Parties: 23d Session	Geneva	Jan. 11–13
GATT Group of Experts on Temporary Admission of Professional Equipment.	Geneva	Jan. 11–15
U.N. Scientific Committee on Effects of Atomic Radiation: 7th Session.	New York	Jan. 11–25
U.N. ECOSOC Human Rights Commission: 12th Session of Subcommission on Prevention of Discrimination and Protection of Minorities.	New York	Jan. 11–29
IAEA Board of Governors	Vienna	Jan. 12–22
GATT Panel on Antidumping Duties	Geneva	Jan. 18–22
U.N. ECE Working Group on Industrial Statistics	Geneva	Jan. 18–22
Asian National Commissions for UNESCO: Regional Meeting	Manila	Jan. 18–23
U.N. ECAFE Committee on Trade: 3d Session	Bangkok	Jan. 18–25
UNESCO Meeting on Development of Information Media in Southeast Asia.	Bangkok	Jan. 18–30
U.N. ECE *Ad Hoc* Working Party on Gas Problems	Geneva	Jan. 20–22
U.N. ECE Electric Power Committee: 18th Session	Geneva	Jan. 27–29
CENTO Scientific Council	Tehran	Jan. 30–31

[1] Prepared in the Office of International Conferences, Jan. 13, 1960. Following is a list of abbreviations: CCITT, Comité consultatif international télégraphique et téléphonique; CENTO, Central Treaty Organization; ECAFE, Economic Commission for Asia and the Far East; ECE, Economic Commission for Europe; ECOSOC, Economic and Social Council; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Atomic Energy Agency; IBE, International Bureau of Education; ICAO, International Civil Aviation Organization; ICEM, Intergovernmental Committee for European Migration; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; SEATO, Southeast Asia Treaty Organization; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; WHO, World Health Organization.

Calendar of International Conferences and Meetings—*Continued*

In Session as of January 31, 1960

Political Discussions on Suspension of Nuclear Tests	Geneva	Oct. 31, 1958–
U.N. ECAFE Industry and Natural Resources Committee: Seminar on Aerial Survey Methods and Equipment.	Bangkok	Jan. 4–
WHO Executive Board: 25th Session	Geneva	Jan. 12–
U.N. ECAFE Committee on Industry and Natural Resources: 12th Session.	Bangkok	Jan. 23–
GATT Committee II on Expansion of International Trade	Geneva	Jan. 25–
North Pacific Fur Seal Commission: 3d Meeting	Moscow	Jan. 25–
SEATO Preparatory Conference for Heads of Universities Seminar	Bangkok	Jan. 25–
International Lead and Zinc Study Group: 1st Meeting	Geneva	Jan. 25–
U.N. Trusteeship Council: 25th Session	New York	Jan. 25–
U.N. Economic Commission for Africa: 2d Session	Tangier	Jan. 25–
3d ICAO African-Indian Ocean Regional Air Navigation Meeting.	Rome	Jan. 26–

Scheduled February 1 Through April 30, 1960

FAO Asia-Pacific Forestry Commission: 5th Session	New Delhi	Feb. 8–
Commission for Technical Cooperation in Africa South of the Sahara.	Tananarive, Madagascar	Feb. 15–
IBE Executive Board	Geneva	Feb. 15–
GATT Panel on Subsidies and State Trading	Geneva	Feb. 15–
U.N. Commission on Permanent Sovereignty Over Natural Resources: 2d Session.	New York	Feb. 16–
ILO Governing Body: 144th Session	Geneva	Feb. 17–
U.N. Economic Commission for Asia and the Far East: 16th Session.	Karachi	Feb. 17–
FAO Group of Experts on Rice Grading and Standardization: 5th Session.	Saïgon	Feb. 18–
FAO Consultative Subcommittee on the Economic Aspects of Rice: 4th Session.	Saïgon	Feb. 22–
ICAO Special Communications Meeting on European-Mediterranean Rules of the Air and Air Traffic Control.	Paris	Feb. 23–
Inter-American Tropical Tuna Commission: Annual Meeting	San José	Feb. 23–
U.N. Committee on Information From Non-Self-Governing Territories: 11th Session.	New York	Feb. 23–
European National Commissions for UNESCO: Regional Meeting.	Taormina, Sicily	Feb. 23–
IMCO *Ad Hoc* Committee on Rules of Procedure	London	Feb. 26–
U.N. ECOSOC Commission on Human Rights: 16th Session	Geneva	Feb. 29–
FAO Meeting of Government Experts on Use of Designations, Definitions, and Standards for Milk and Milk Products.	Rome	February
IMCO Council: 3d Session	London	Mar. 2–
Inter-American Institute of Agricultural Sciences: 5th Meeting of the Technical Advisory Council.	Lima	Mar. 7–
UNICEF Executive Board and Program Committee	New York	Mar. 7–
U.N. ECAFE Conference of Asian Statisticians: 3d Session	Bangkok	Mar. 8–
GATT Committee III on Expansion of International Trade	Geneva	Mar. 14–
Ten-Nation Disarmament Committee	Geneva	Mar. 15–
5th ICAO North Atlantic Ocean Stations Conference	The Hague	Mar. 17–
2d U.N. Conference on Law of the Sea	Geneva	Mar. 17–
ICAO Legal Committee: Subcommittee on Aerial Collision	Paris	Mar. 21–
ICAO Subcommittee on Hire, Charter, and Interchange	Paris	Mar. 21–
ITU CCITT Working Party 43 (Data Transmission)	Geneva	Mar. 21–
U.N. ECAFE Working Party on Small-Scale Industries and Handicraft Marketing/Canning and Bottling of Fruit and Food in Cooperation with FAO.	Singapore	Mar. 21–
GATT Committee II on Expansion of International Trade	Geneva	Mar. 28–
GATT Intersessional Committee	Geneva	Mar. 28–
UNESCO Executive Board: 56th Session	Paris	Mar. 28–
UNESCO Meeting of Administrators on Technical and Vocational Education in Africa.	Accra	Mar. 28–
U.N. ECOSOC Commission on Status of Women: 14th Session	Buenos Aires	Mar. 28–
UNESCO Intergovernmental Advisory Committee on Extension of Primary Education in Latin America.	México, D.F	March
ICAO Informal Caribbean Regional Meeting on Meteorology	Curaçao	Apr. 1–
U.N. Economic and Social Council: 29th Session	New York	Apr. 5–
International Wheat Council: Special Session	London	Apr. 5–
U.N. ECOSOC Statistical Commission: 11th Session	New York	Apr. 18–
Meeting of Experts on the Inter-American Telecommunications Network.	México, D.F	Apr. 19–
U.N. Economic Commission for Europe: 15th Session	Geneva	Apr. 20–
ICAO Teletypewriter Panel	Montreal	Apr. 25–

ILO Petroleum Committee: 6th Session	Geneva	Apr. 25–
U.N. ECOSOC Narcotic Drugs Commission: 15th Session	Geneva	Apr. 25–
NATO Ministerial Council	Istanbul	Apr. 28–
Executive Committee of the Program of the U.N. High Commissioner for Refugees: 3d Session.	Geneva	April
U.N. ECOSOC Narcotic Drugs Commission: Illicit Traffic Committee.	Geneva	April

Tenth Anniversary of Colombo Plan

Statement by Secretary Herter

Press release 11 dated January 13

On behalf of the U.S. Government I wish to pay tribute to the imaginative genius of those Commonwealth ministers who, on January 14, 1950, conceived of the idea of a friendly international association which was destined to develop into the widely esteemed institution now known as the Colombo Plan.

The Colombo Plan is esteemed because its essence is a noble objective. It stimulates through friendly consultation more rapid economic development of the countries of south and southeast Asia, countries which are struggling to free themselves from the ageless burden of poverty. The United States, having undertaken numerous programs of economic cooperation through bilateral arrangements with countries of this area, was pleased to join this association of free countries shortly after its inception. Although the members extend or receive aid through bilateral arrangements, the intimate multilateral discussions among friends within the Colombo Plan system are undoubtedly of great value to all concerned. They have constituted a stimulating force and have made possible more efficient and effective fulfillment of objectives on the part of both aid-giving and aid-receiving nations.

If there is a key to the success of the Colombo Plan, I believe it may lie in the informal friendly consultative nature of its procedures. The Colombo Plan is not rigid; it does not bind members to any particular course; it is not an operating agency. It does bring friends closer in their cooperative efforts. It is an association of friendly countries and is most useful toward meeting the economic needs and national desires of the members. It has in fact become a symbol of the economic aspirations of hundreds of millions of people. My Government is proud to be a member of the Colombo Plan Consultative Committee. It is gratified that through unanimous consent the life of this organization has recently been extended. It wishes for the Colombo Plan continued success in its great mission.

United States Delegations to International Conferences

ECE Steel Committee

The Department of State announced on January 8 (press release 4) the designation of Howard J. Mullin, a vice president of the U.S. Steel Corp., as the U.S. Delegate to the 23d session of the Steel Committee of the United Nations Economic Commission for Europe (ECE), convening at Geneva, Switzerland, on January 11, 1960.

Assisting Mr. Mullin as Alternate U.S. Delegate will be Robert D. Woodward, an economist with the Bethlehem Steel Co.

The Steel Committee is one of the principal committees of the U.N. Economic Commission for Europe and provides a forum where steel experts meet periodically to consider and discuss matters of common interest. The forthcoming meeting will discuss principally the long-term trends and problems in the steel industry and a program of future work and will review the 1959 steel market.

UNESCO Conference on Mass Communications in Southeast Asia

An eight-man U.S. delegation headed by Wilbur Schramm of Stanford University will participate in an international conference on the development of mass communications in southeast Asia, beginning January 18 at Bangkok, Thailand, the Department of State announced on January 11 (press release 6).

The 2-week meeting is the first step in a world-

wide survey of existing problems in the mass communications field being carried out by the United Nations Educational, Scientific and Cultural Organization (UNESCO).

Dr. Schramm, director of Stanford's Institute of Communication Research and an authority on mass communications, was in Washington on January 11 for talks with Department of State and other Government officials and a meeting with officials of the radio, television, and motion picture industries. Prior to leaving New York for Bangkok, he met with wire-service and other media representatives who have special interest in southeast Asia.

The remainder of the U.S. delegation will be made up of U.S. officials assigned to the southeast Asian area.

UNESCO plans similar surveys for Latin America in 1961 and for Africa in 1962.

ECE Working Party on Gas Problems

The Department of State announced on January 15 (press release 21) the designation of Hall M. Henry, president, New England Gas and Electric Association Service Corporation, Cambridge, Mass., as United States Delegate to the meeting of the Working Party on Gas Problems of the United Nations Economic Commission for Europe, which is scheduled to be held at Geneva, January 20–22, 1960.

The main purpose of the meeting is to discuss European fuel gas problems. Mr. Henry will be assisted by a member of the United States resident delegation at Geneva.

Current U.N. Documents: A Selected Bibliography [1]

Security Council

Letter Dated 22 December 1959 From the Permanent Representative of India Addressed to the President of the Security Council Concerning a Pakistani Letter (S/4242). S/4249. December 28, 1959. 3 pp.

[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain libraries in the United States.

General Assembly

Establishment and Maintenance of a United Nations Memorial Cemetery in Korea. Report of the Secretary-General on the conclusion of the agreement between the United Nations and the Republic of Korea. A/4330. December 4, 1959. 10 pp.

Question of South West Africa. Letter dated December 12, 1959, from the permanent representative of the Union of South Africa addressed to the President of the General Assembly. A/4352. December 12, 1959. 2 pp.

Budget Estimates for the Financial Year 1960. Report of the Fifth Committee. Corrigendum. A/4336/Corr. 1. December 12, 1959. 1 p.

Economic and Social Council

Economic Commission for Europe Working Party on Gas Problems. Report on Economic Problems of Underground Storage of Gas. E/ECE/362. August 26, 1959. 47 pp.

Economic Commission for Africa. Note on Measures Required for the Control of the Infectious Diseases of Livestock, Particularly Rinderpest in the North-East Region of Africa. E/CN.14/31. November 10, 1959. 4 pp.

Economic Commission for Africa. International Economic Assistance to Africa: A Review of Current Contributions. Memorandum by the Executive Secretary. E/CN.14/23. November 12, 1959. 31 pp.

Economic Commission for Africa. Measures Needed To Ensure More Effective Control of Locusts in Africa. Executive Secretary's report on his inquiries. E/CN.14/32 and Corr. 1. November 16, 1959. 11 pp.

Economic Commission for Africa. Information Paper on Technical Assistance Activities of the International Bank for Reconstruction and Development. Prepared by the IBRD. E/CN.14/26. November 17, 1959. 4 pp.

Economic Commission for Africa. Annotated Provisional Agenda. E/CN.14/22. November 18, 1959. 5 pp.

Economic Commission for Africa. Report by the Executive Secretary on His Exploration of Means of Aiding Governments in North Africa To Develop Their Esparto Grass Reserves. E/CN.14/33. November 18, 1959. 5 pp.

Economic Commission for Africa. Report by the Executive Secretary on His Exploration of Means of Aiding Governments in North Africa To Develop Their Sea Fisheries. E/CN.14/34. November 18, 1959. 7 pp.

Economic Commission for Africa. The Impact of the European Economic Community on African Trade. E/CN.14/29. November 20, 1959. 31 pp.

Economic Commission for Africa. Information Paper on Technical Assistance Provided to Countries and Territories of the ECA Region Under the Expanded and Regular Programmes. Prepared by the TAB secretariat. E/CN.14/27. December 1, 1959. 31 pp.

Economic Commission for Africa. Programme of Work and Priorities 1960 and 1961. Memorandum by the Executive Secretary. E/CN.14/36. December 1, 1959. 21 pp.

Economic Commission for Africa. Information Paper on UNICEF Aid to Child Health and Welfare Projects in Africa. Prepared by the United Nations Children's Fund. E/CN.14/41. December 4, 1959. 12 pp.

Economic Commission for Africa. Report on the Facilities Available for the Training of Africans in Economics, Statistics and Related Fields of Study. Prepared by UNESCO. E/CN.14/35 and Add. 1. December 7, 1959. 95 pp.

Commission on the Status of Women. Women in Public Services and Functions. Report by the Secretary-General. E/CN.6/354. December 8, 1959. 75 pp.

Technical Assistance. Report of the Technical Assistance Committee. E/3312. December 9, 1959. 22 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

Sugar

International sugar agreement of 1958. Done at London December 1, 1958. Entered into force provisionally January 1, 1959; definitively for the United States October 9, 1959.
Ratifications deposited: Guatemala, December 11, 1959; Ghana, March 4, 1959; Panama, March 18, 1959.

Telecommunication

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1952 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960.
Notification of approval: Sweden, November 18, 1959.[1]

Trade and Commerce

Protocol relating to negotiations for the establishment of new schedule III—Brazil—to the General Agreement on Tariffs and Trade. Done at Geneva December 31, 1958.[2]
Signatures: Ceylon, October 31, 1959; the United Kingdom, November 6, 1959; Federation of Malaya and Peru, November 16, 1959.

BILATERAL

Argentina

Agreement relating to investment guaranties under section 413(b)(4) of the Mutual Security Act of 1954, as amended (68 Stat. 847; 22 U.S.C. 1933). Signed at Buenos Aires December 22, 1959. Entered into force provisionally December 22, 1959; enters into force definitively on the date of receipt of a note by the United States stating the agreement has been approved by Argentina in accordance with its constitutional procedures.

Belgium

Agreement concerning American military cemeteries, with annex. Signed at Brussels November 27, 1959. Entered into force November 27, 1959.

Agreement regarding the erection of certain memorials in Belgium by the American Battle Monuments Commission. Signed at Paris October 4, 1929 (46 Stat. 2732).
Terminated: November 27, 1959, by agreement concerning American military cemeteries (*supra*).

Agreement relating to the interment of American nationals in Belgium, as amended. Effected by exchange of notes at Brussels June 6 and July 23, 1947 (TIAS 1672, 1969, and 3239).
Terminated: November 27, 1959, by agreement concerning American military cemeteries (*supra*).

Haiti

Agreement for the exchange of third-party messages between radio amateurs of the United States and Haiti. Effected by exchange of notes at Port-au-Prince January 4 and 6, 1960. Entered into force January 6, 1960.

India

Agreement further supplementing the agricultural commodities agreement of November 13, 1959, as supplemented (TIAS 4354). Effected by exchange of notes at Washington January 8, 1960. Entered into force January 8, 1960.

Israel

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U.S.C. 1701–1709), with agreed minute. Signed at Washington January 7, 1960. Entered into force January 7, 1960.

Italy

Agreement amending and extending the agreement of June 28, 1954 (TIAS 3150), with Italy for a technical cooperation program for the Trust Territory of Somaliland. Effected by exchange of letters at Rome December 24, 1959. Entered into force December 24, 1959.

Turkey

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U.S.C. 1701–1709), with exchanges of notes. Signed at Ankara December 22, 1959. Entered into force December 22, 1959.

Venezuela

Arrangement for exchange of communications between amateur stations on behalf of third parties. Effected by exchange of notes at Caracas November 12, 1959. Entered into force November 12, 1959; operative December 12, 1959.

[1] With a reservation.
[2] Not in force.

DEPARTMENT AND FOREIGN SERVICE

ICA Institute Opens Fourth Session

The Department of State announced on January 11 (press release 8) that the International Cooperation Administration on that day had opened the fourth in its series of institutes in program planning for selected ICA employees. The 5-month course is conducted for ICA at Washington by the Johns Hopkins University School of Advanced International Studies. Nineteen ICA staff members are attending the institute.

The training is designed to improve the participants' effectiveness in dealing with complex technical and economic problems in countries to which they will be assigned. The principles of economic development, including the role of the Mutual Security Program as well as the relationship of political and cultural factors, are included in the curriculum. Lecture courses are given by the Johns Hopkins faculty and by guest lecturers from other universities, international institutions, and U.S. Government agencies.

Post at Yaoundé, Cameroun, Raised to Embassy

The Department of State announced on January 5 (press release 1) that the American consulate general at Yaoundé, Cameroun, was elevated to an Embassy on January 1, 1960, upon formal attainment of independence by the former United Nations trust territory under French administration. Cameroun obtained its independence as a result of a resolution of the United Nations resumed 13th General Assembly passed on March 13, 1959,[1] declaring that the trusteeship agreement would cease to be in force on January 1.

The United States first opened a consulate at Yaoundé in June 1957. This was raised to a consulate general on April 10, 1959.

Bolard More has been named Chargé d'Affaires.

Recess Appointments

The President on January 4 appointed Dennis A. FitzGerald to be Deputy Director for Operations of the International Cooperation Administration in the Department of State.

Designations

Edwin McCammon Martin as Deputy Assistant Secretary for Economic Affairs, effective January 7. (For biographic details, see Department of State press release 14 dated January 14.)

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

You and Your Passport. Pub. 6828. Department and Foreign Service Series 88. 10 pp. 5¢.

A leaflet containing information of interest to any person who plans to go abroad.

The Biographic Register, 1959. Pub. 6838. Department and Foreign Service Series 89. 804 pp. $4.50.

A publication containing biographies for certain employees of the Department of State, the United States Mission to the United Nations, the International Cooperation Administration, and the United States Information Agency. Biographies are included also for the Foreign Agricultural Service of the Department of Agriculture.

Southeast Asia: Area of Challenge, Change, and Progress. Pub. 6861. Far Eastern Series 82. 15 pp. 15¢.

Another issue in the popular *Background* series, this pamphlet discusses the importance, land, peoples, economic situation, and individual countries of the area.

Your Department of State. Pub. 6877. Department and Foreign Service Series 91. 14 pp. 15¢.

An illustrated pamphlet describing the origin, functions, organization, and principal officers of the Department; a revision of the original pamphlet.

Cultural Diplomacy. Pub. 6887. International Information and Cultural Series 70. 50 pp. 25¢.

An illustrated publication which helps to describe the important role cultural diplomacy is playing in our relations with other countries. It reviews the many kinds of exchange activities carried out under the International Educational Exchange Program during fiscal year 1958.

How Foreign Policy Is Made. Pub. 6892. General Foreign Policy Series 143. 20 pp. 10¢.

A revised pamphlet containing a series of questions and answers on the formulation of our foreign policy.

International Educational Exchange Program—July 1-December 31, 1958. Pub. 6893. International Information and Cultural Series 71. 14 pp. Limited distribution.

The 22d semiannual report to Congress describing the many kinds of exchange activities carried out during the first half of fiscal year 1959.

Technical Cooperation—Joint Fund Program. TIAS 4334. 3 pp. 5¢.

Agreement between the United States of America and Israel, amending agreement of May 9, 1952, as amended. Exchange of notes—Signed at Tel Aviv June 26, 1959, and at Jerusalem September 24, 1959. Entered into force September 24, 1959.

Surplus Agricultural Commodities. TIAS 4335. 4 pp. 5¢.

Agreements between the United States of America and Indonesia, amending agreement of May 29, 1959. Exchange of notes—Signed at Djakarta October 1, 1959. Entered into force October 1, 1959.

Air Transport Services. TIAS 4336. 8 pp. 10¢. Agreement between the United States of America and France, extending and amending agreement of March 27, 1946, as amended and extended. Exchange of notes—Dated at Paris August 27, 1959. Entered into force August 27, 1959. And extension agreement. Exchange of notes—Dated at Paris July 23, 1959. Entered into force July 23, 1959.

Surplus Agricultural Commodities. TIAS 4337. 13 pp. 10¢.

Agreement between the United States of America and Colombia. Exchange of notes—Signed at Bogotá October 6, 1959. Entered into force October 6, 1959.

Surplus Agricultural Commodities. TIAS 4338. 3 pp. 5¢.

Agreement between the United States of America and India, amending agreements of August 29, 1956, as amended, June 23, 1958, and September 26, 1958. Exchange of notes—Signed at Washington October 1 and 28, 1959. Entered into force October 28, 1959.

[1] U.N. doc. A/RES/1349(XIII); for text, see BULLETIN of Apr. 13, 1959, p. 534.

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No.	Date	Subject
6	1/11	Delegation to conference on mass communications (rewrite).
7	1/11	Cuban property seizures.
8	1/11	ICA institute.
*9	1/11	Death of George Perkins.
*10	1/12	Itinerary for visit of Premier Kishi.
11	1/13	Herter: Colombo Plan 10th anniversary.
*12	1/12	16th semiannual MSP report.
13	1/14	Dillon: Special Economic Committee, Paris.
*14	1/14	Martin designated Deputy Assistant Secretary for Economic Affairs (biographic details).
*15	1/14	Thompson nominated ambassador to Iceland (biographic details).
*16	1/14	Reinhardt nominated ambassador to Yemen (biographic details).
17	1/15	Bulgaria credentials (rewrite).
18	1/15	Reregistration of title and mining concession rights in Cuba.
19	1/15	Dillon: OEEC, Paris.
20	1/15	Economic resolutions, Paris.
21	1/15	Delegate to ECE working party on gas problems (rewrite).
22	1/16	Dillon: arrival at Washington from Paris meetings.
†23	1/17	Nixon: welcome to Premier Kishi.

*Not printed.
† Held for a later issue of the BULLETIN.

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Vol. XLII, No. 1076 February 8, 1960

PRIME MINISTER KISHI VISITS WASHINGTON FOR SIGNING OF TREATY OF MUTUAL CO-OPERATION AND SECURITY BETWEEN THE U.S. AND JAPAN • *Texts of Joint Communique, Remarks, and Treaty and Related Documents* 179

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THE DEPARTMENT OF STATE

Bulletin

VOL. XLII, No. 1076 • PUBLICATION 6938

February 8, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Prime Minister Kishi Visits Washington for Signing of Treaty of Mutual Cooperation and Security Between the U.S. and Japan

Prime Minister Nobusuke Kishi of Japan, accompanied by Foreign Minister Aiichiro Fujiyama and a delegation of 36 Japanese officials, made an informal visit at Washington, D.C., January 17–21 to participate in the signing on January 19 of a Treaty of Mutual Cooperation and Security Between the United States of America and Japan. Following are texts of a joint communique, the treaty and related documents, and remarks made on various occasions during the visit.

JOINT COMMUNIQUE, JANUARY 19

White House press release dated January 19

The President of the United States and the Prime Minister of Japan conferred at the White House today prior to the formal signing of the Treaty of Mutual Cooperation and Security between Japan and the United States. Their discussions were devoted chiefly to a broad and comprehensive review of current international developments, and to an examination of Japanese-American relations. Japanese Minister of Foreign Affairs Fujiyama and American Secretary of State Herter also took part in the White House talks. Later the Prime Minister and his party conferred with the Secretary of State on matters of mutual concern to the two countries.

I.

The President and the Prime Minister first discussed the international situation. The President told the Prime Minister of the profound impression made upon him during his recent trip to South Asia, the Near East, Africa and Europe[1] by the overwhelming desire throughout these areas for early realization of the goals of the United Nations, international peace, respect for human rights, and a better life. In discussing the international situation, the President stated his determination to exert every effort at the impending Summit meeting[2] to achieve meaningful progress toward these goals. The Prime Minister expressed full agreement and support for the President's determination.

In this connection, the President and the Prime Minister agreed that disarmament, with the essential guarantees of inspection and verification, is a problem of urgent and central importance to all nations, whose resolution would contribute greatly to reducing the burden of armaments and the risk of war. They expressed the further hope that early agreement can be reached on an adequately safeguarded program for the discontinuance of nuclear weapons tests. They concluded that the world is entering a period affording important opportunities which they have every intention of exploring most seriously, but only on the basis of tested performance not merely promises. Both leaders recognized that all of man's intellect, wisdom and imagination must be brought into full play to achieve a world at peace under justice and freedom. They expressed the conviction that, during this period and particularly until all nations abide faithfully by the purposes and principles of the U.N. and forego the resort to force, it is essential for free nations to maintain by every means their resolution, their unity and their strength.

II.

The President and the Prime Minister considered the security relationship between the United States and Japan in the light of their evaluation

[1] For background, see BULLETIN of Dec. 28, 1959, p. 931, and Jan. 11, 1960, p. 46.

[2] For background, see *ibid.*, Jan. 18, 1960, p. 77.

of the current international situation and declared that this close relationship is essential to the achievement of peace in justice and freedom. They are convinced that the partnership and cooperation between their two nations is strengthened by the new treaty which has been drawn up on the basis of the principles of equal sovereignty and mutual cooperation that characterize the present relationship between the two countries. Both leaders look forward to the ratification of the treaty and to the celebration of this year of the centennial of Japan's first diplomatic mission to the United States as further demonstrations of the strength and continuity of Japanese-American friendship.

In reviewing relations between Japan and the United States since their last meeting in June of 1957,[3] the President and the Prime Minister expressed particular gratification at the success of efforts since that time to develop the new era in relations between the two countries, based on common interest, mutual trust, and the principles of cooperation.

Both the President and the Prime Minister looked ahead to continued close cooperation between the two countries within the framework of the new Treaty of Mutual Cooperation and Security. They are convinced that the treaty will materially strengthen peace and security in the Far East and advance the cause of peace and freedom throughout the world. They are convinced also that the treaty will foster an atmosphere of mutual confidence. In this connection, the Prime Minister discussed with the President the question of prior consultation under the new treaty. The President assured him that the United States Government has no intention of acting in a manner contrary to the wishes of the Japanese Government with respect to the matters involving prior consultation under the treaty.

The President and the Prime Minister also discussed the situation in Asia. They reaffirmed their belief that they should maintain close contact and consultation with relation to future developments in this area. They agreed that Japan's increasing participation in international discussion of the problems of Asia will be in the interest of the free world.

[3] *Ibid.*, July 8, 1957, p. 51.

III.

The President and the Prime Minister agreed that the expansion of trade among free nations, the economic progress and elevation of living standards in less developed countries are of paramount importance, and will contribute to stability and progress so essential to the achievement of peace in the world.

The President and the Prime Minister exchanged views on the European economic and trade communities and on the role that can be played by the industrialized Free World countries in the economic development of the less developed areas. Both leaders called particular attention to the urgent desire of peoples in the less developed areas of the world for the economic advancement without which they cannot preserve their freedom. They stressed the role which increasingly must be played by the industrialized nations of the free world in assisting the progress of the less developed areas. The President particularly referred to the increasing role the Japanese people are playing in the economic development of free Asia.

In considering economic relations between the United States and Japan, the President and the Prime Minister recognized that trade between their two nations is of great benefit to both countries, noting that the United States is the largest purchaser of Japanese exports, and Japan is the second largest buyer of American goods. They expressed gratification at the growth of mutually profitable trade between the two countries. They reaffirmed their conviction that the continued and orderly expansion of world trade, through the avoidance of arbitrary and new unnecessary trade restrictions, and through active measures to remove existing obstacles, is essential to the well-being and progress of both countries.

The Prime Minister stressed the importance of the United States and Japan consulting on a continuing basis with regard to economic matters of mutual interest. The President expressed full agreement to this view.

IV.

The President expressed his particular gratification that the Prime Minister could come to Washington on this occasion so important in United States-Japanese relations. The Prime

Minister expressed his appreciation for the opportunity to meet again with the President.

The President and the Prime Minister agreed that their talks will contribute to the continued strengthening of the United States-Japanese partnership.

WELCOMING REMARKS BY VICE PRESIDENT NIXON[4]

Mr. Prime Minister, it is my honor and privilege to welcome you again to our Nation's capital on the occasion of this visit.

I do not need to tell you that you are always welcome in our country as the representative of a great people and as a true and loyal friend of the United States. But I believe that this occasion is a particularly historic and significant one. At a time in history when the relations between nations are very complex and sometimes difficult, we are reminded by this visit, and the reason for it, of the really exciting record of achievement in good relations between the United States and your country.

On Tuesday you and Secretary Herter will sign a new treaty of mutual cooperation and security between the United States and Japan. This treaty will mark the culmination of great progress in relations between our countries in the 2 years since you last visited this capital. And we know, too, that it will mark the opening of a new era of even greater cooperation and mutual progress together. I think it is only appropriate at this time to pay tribute to the leadership in your country and in ours which has made this record of progress possible. The leaders of our two countries have recognized that we have true identity of interests in a divided world. And I can say that millions of Americans respect and honor you for the courageous leadership that you have given for the cause of peace and freedom for your people and for all the world.

May I say that I am sure that, in your much too brief time here in our Nation's capital, the meetings you will have with our President, with the Secretary of State, will bring even closer ties of cooperation and friendship for the years to come.

[4] Made at Washington, D.C., on Jan. 17 upon the arrival of Prime Minister Kishi (press release 23).

President Eisenhower Accepts Invitation To Visit Japan

White House press release dated January 20

Prime Minister Kishi, on behalf of the Government of Japan, extended an invitation to the President to visit Japan on the occasion of the Japanese-American Centennial. The President accepted the invitation with the greatest of pleasure and proposed that he visit Japan about June 20, following his forthcoming trip to the Soviet Union.

President Eisenhower took this opportunity to express his hope that Their Imperial Highnesses the Crown Prince and Princess will pay a visit to the United States on the occasion of the Centennial, and the Prime Minister stated that he will endeavor to bring about the desired visit.

TOASTS AT WHITE HOUSE LUNCHEON, JANUARY 19

White House press release dated January 19

President Eisenhower

Mr. Prime Minister, Mr. Foreign Minister, and distinguished guests: It is a very great personal honor to welcome here in Washington the Prime Minister of Japan and his associates in government. They are here to sign, with us, a treaty of mutual cooperation and security.

This year is the centennial of an occasion very similar to this one. A predecessor of mine, 100 years ago, welcomed to this city the first Japanese diplomatic mission to the United States—indeed, the first diplomatic mission that in modern times the Japanese had sent abroad.

During those hundred years tremendous changes have taken place. In our technology, in science, the changes have been such as to be revolutionary. And in the thinking of our two peoples there has been likewise a great change. We have come to the realization that we were not, each of us, truly independent of ourselves and of others but that there is among the nations—certainly the nations of the free world—a great and growing interdependence.

In 1860 Japan was just emerging from an isolation centuries old and almost complete in its character. The United States was living in an isolation of a different kind. We were so protected by

two vast ocean areas that we had no real interest in the rest of the world and certainly felt ourselves to be immune from the quarrels and struggles and problems and even the privations that others experienced.

We have come a long way from that time. In 1960 our two countries represented here today are leaders in an effort to bring the free nations of the world into a closer cooperation through which they may achieve a better security for themselves and for realizing for all people the peace in freedom that they seek. The signing of this treaty this afternoon will, all of us hope, mark one significant step in progress toward that goal.

I am hopeful that all of you present, after we have had our coffee in the Blue Room, will be guests at that signing, which will take place in the East Room immediately after we leave the Blue Room.

It has been a particular delight for me to have Mr. Kishi, an old friend of mine, here representing his country this morning. We had a chance, because of this visit, to remark upon the tremendous changes, the tremendous progress that has been made in the last 2 years in the relations between our two countries. We agreed that there is ground for great confidence that these relations will be sound and will grow ever stronger.

Now, of course, for both of us it would have been a little bit more enjoyable and possibly even more profitable to have had these conversations on the golf course. But in spite of the uncooperative character of the season, we did have these talks, and both of us agreed that they have been not only interesting but fruitful.

And it is in that belief and conviction that I propose a toast to the monarch whose able Prime Minister is our honored guest today.

Gentlemen and Madam, will you please join me in raising our glasses to His Majesty, the Emperor of Japan.

Prime Minister Kishi

Unofficial translation

Mr. President, Mr. Speaker, and other honorable guests: Today I and my associates have the privilege of discussing political affairs with the President, for which I offer thanks from the bottom of my heart. Further, the President's generous toast has touched me deeply, for which I am also thankful.

In the 2½ years which have passed since I first met with the President to discuss matters of mutual concern and mutual cooperation we have seen great progress toward achieving a position of equality and mutual trust. That we have done so is a blessing for the peoples of both our countries. Moreover it also contributes in a great degree toward the achievement of that peace in the world which all peoples wish for.

We all know that the President works constantly, with all of his energies, toward achieving peace in the world, with justice and freedom. Not only we in Japan but the peoples of the entire world are well aware of this, and we all praise you for your activities, Mr. President. We pray for your success in your purposes.

As the President has already explained, my purpose in coming to the United States at this time is to sign the new treaty of mutual cooperation and security between Japan and the United States. But this year, as the President has also indicated, marks the first—the end of the first century since the first amicable diplomatic contact between our two countries.

Throughout that hundred years, never, with the exception of a brief few, do I believe that we have had relations of anything less than a mutually profitable nature. I hope that in the coming hundred years we will achieve even more progress toward a new relationship based on trust and cooperation.

I think that what we are doing today is significant for both the peace of the world and for the prosperity of the peoples of the world. I hope that our friendship continues in this way through the next century, without even a few years such as those which blotted our relations in the past.

I hope that the work we do here today will gain for us more than the hundred years of peaceful and cooperative relations that my predecessor gained. I know that we will continue to work hard to achieve this.

In reply to the remarks of the President I would like to thank him from the bottom of my heart. I would like to toast the health of the President and pray that he may continue to work so energetically for the peace of the world and for the prosperity of all of the American people.

Thank you.

REMARKS AT SIGNING CEREMONY, JANUARY 19

President Eisenhower

White House press release dated January 19

The signing today of the treaty of mutual cooperation and security between Japan and the United States is truly a historical occasion at which I am honored to be present. This treaty represents the fulfillment of the goal set by Prime Minister Kishi and myself in June of 1957 to establish an indestructible partnership between our two countries in which our relations would be based on complete equality and mutual understanding. The treaty likewise reflects the closeness and breadth of our relations in the political and economic as well as security fields.

It is equally fitting that the treaty of mutual cooperation and security should be signed in the hundredth year after the first treaty between our two countries came into effect. On May 22, 1860, the first Japanese delegation to the United States exchanged ratifications of the treaty of amity and commerce between our two countries. The subsequent hundred years have brought unbelievable progress and increasing prosperity to both our countries. It is my fervent hope that the new treaty signed today will usher in a second hundred years of prosperity and the peace in freedom which the peoples of our countries and of all countries so earnestly desire.

Secretary Herter

Press release 24 dated January 19

It is a great honor and privilege for me to represent the United States as the principal signatory of this new treaty of mutual cooperation and security with Japan. The significance of this occasion for both our countries is demonstrated by the presence of the highest officials of both Governments, the President of the United States and the Prime Minister of Japan, as well as delegations from the Legislatures of both nations.

I am confident that the treaty we are signing today will establish, in the political, economic, and security fields, the basis for close cooperation to our mutual benefit for many years to come. It will also serve as notice of our solidarity to those who would attack or subvert the freedom which is our most precious possession.

Prime Minister Kishi

Unofficial translation

For Japan and the United States this is a truly significant and historic occasion. The new treaty of mutual cooperation and security which we are about to sign constitutes the basic structure of partnership between our countries and a basis for effective cooperation, not only in the field of security but also in the broader political and economic fields. The consummation of this treaty in the centennial year of our diplomatic and commercial relations is indeed a happy augury for the future.

Henceforth our common efforts should be devoted to making our partnership a living and dynamic instrument for peace under justice and freedom and for human progress throughout the world. I am sure that we are making a most auspicious start into the second century of Japanese-American relations.

Foreign Minister Fujiyama

Unofficial translation

This is truly an auspicious event. It will go down in history, I am sure, as a great and important milestone in the full century of relations between Japan and the United States. The treaty we have signed brings us together in closer association than any pact ever concluded between our two countries.

I am glad and proud of the part I have personally had in the making of this treaty. As the chief negotiator for Japan, I know what this treaty is and what it is for. It is an open compact for all the world to see as a treaty pledging our countries to serve as partners in the cause of a secure peace under justice and freedom. It reflects the sentiments and the aspirations of both our peoples.

On this occasion I should express my highest respects and appreciation to the representatives of the United States for the great understanding and zeal shown by them in working closely with us to make a treaty of which both our countries may be truly proud. I address these sentiments particularly to the late Secretary Dulles, with whose understanding the negotiations were initiated, to Secretary Herter, who took a personal hand in leading the negotiations for his Government to this happy consummation, and to Ambas-

sador [Douglas] MacArthur [II], who showed a deep appreciation of Japan's hopes and aspirations throughout the negotiations.

This is a day of fulfillment. But, at the same time, this is only the beginning of our real task—to breathe life into this treaty. Dedicated as we both are to the spirit of partnership, peace, and progress, I am confident that we shall succeed in our endeavor.

FAREWELL REMARKS BY UNDER SECRETARY MERCHANT[5]

Mr. Prime Minister, we have come to the end of a friendly and fruitful visit. We have had an opportunity to renew old friendships and to discuss many matters of common concern. You are leaving us to visit our mutual friend and our good and close neighbor, Canada, where I know a warm reception awaits you.

Your visit to Washington and the treaty of mutual cooperation and security we have signed during this visit are an auspicious start to the celebration this year of the 100th anniversary of the first visit to Washington by plenipotentiaries representing Japan. We will work closely with you to symbolize by this anniversary celebration our common dedication to the ideals that unite free peoples everywhere.

I hope you leave us, as we leave you, with the conviction that we are in closer agreement than ever in our aspirations for peace and security and in the ways and means that must be employed by the community of free nations to achieve these aspirations. You should also know that you are always welcome to our shores.

Goodby and Godspeed.

TREATY AND RELATED DOCUMENTS

Press release 25 dated January 19

Text of Treaty

TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES OF AMERICA AND JAPAN

The United States of America and Japan,

Desiring to strengthen the bonds of peace and friendship traditionally existing between them, and to uphold the principles of democracy, individual liberty, and the rule of law,

Desiring further to encourage closer economic cooperation between them and to promote conditions of economic stability and well-being in their countries,

Reaffirming their faith in the purposes and principles of the Charter of the United Nations, and their desire to live in peace with all peoples and all governments,

Recognizing that they have the inherent right of individual or collective self-defense as affirmed in the Charter of the United Nations,

Considering that they have a common concern in the maintenance of international peace and security in the Far East,

Having resolved to conclude a treaty of mutual cooperation and security,

Therefore agree as follows:

ARTICLE I

The Parties undertake, as set forth in the Charter of the United Nations, to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security and justice are not endangered and to refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations.

The Parties will endeavor in concert with other peace-loving countries to strengthen the United Nations so that its mission of maintaining international peace and security may be discharged more effectively.

ARTICLE II

The Parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being. They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between them.

ARTICLE III

The Parties, individually and in cooperation with each other, by means of continuous and effective self-help and mutual aid will maintain and develop, subject to their constitutional provisions, their capacities to resist armed attack.

ARTICLE IV

The Parties will consult together from time to time regarding the implementation of this Treaty, and, at the request of either Party, whenever the security of Japan or international peace and security in the Far East is threatened.

ARTICLE V

Each Party recognizes that an armed attack against either Party in the territories under the administration of Japan would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional provisions and processes.

[5] Made at Washington, D.C., on Jan. 21 upon the departure of Mr. Kishi (press release 28 dated Jan. 20).

Any such armed attack and all measures taken as a result thereof shall be immediately reported to the Security Council of the United Nations in accordance with the provisions of Article 51 of the Charter. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

ARTICLE VI

For the purpose of contributing to the security of Japan and the maintenance of international peace and security in the Far East, the United States of America is granted the use by its land, air and naval forces of facilities and areas in Japan.

The use of these facilities and areas as well as the status of United States armed forces in Japan shall be governed by a separate agreement, replacing the Administrative Agreement under Article III of the Security Treaty between the United States of America and Japan, signed at Tokyo on February 28, 1952, as amended,[6] and by such other arrangements as may be agreed upon.

ARTICLE VII

This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of the Parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security.

ARTICLE VIII

This Treaty shall be ratified by the United States of America and Japan in accordance with their respective constitutional processes and will enter into force on the date on which the instruments of ratification thereof have been exchanged by them in Tokyo.

ARTICLE IX

The Security Treaty between the United States of America and Japan[7] signed at the city of San Francisco on September 8, 1951 shall expire upon the entering into force of this Treaty.

ARTICLE X

This Treaty shall remain in force until in the opinion of the Governments of the United States of America and Japan there shall have come into force such United Nations arrangements as will satisfactorily provide for the maintenance of international peace and security in the Japan area.

However, after the Treaty has been in force for ten years, either Party may give notice to the other Party of its intention to terminate the Treaty, in which case the Treaty shall terminate one year after such notice has been given.

[6] Treaties and Other International Acts Series 2492 and 2848; for text of treaty and protocol, see BULLETIN of Mar. 10, 1952, p. 382, and Nov. 2, 1953, p. 595.

[7] TIAS 2491; for text, see BULLETIN of Sept. 17, 1951, p. 464.

IN WITNESS WHEREOF the undersigned Plenipotentiaries have signed this Treaty.

DONE in duplicate at Washington in the English and Japanese languages, both equally authentic, this 19th day of January, 1960.

For the United States of America:
CHRISTIAN A. HERTER
DOUGLAS MACARTHUR 2ND
J' GRAHAM PARSONS

For Japan:
NOBUSUKE KISHI
AIICHIRO FUJIYAMA
MITSUJIRO ISHII
TADASHI ADACHI
KOICHIRO ASAKAI

Agreed Minute to the Treaty of Mutual Cooperation and Security

Japanese Plenipotentiary:

While the question of the status of the islands administered by the United States under Article 3 of the Treaty of Peace with Japan[8] has not been made a subject of discussion in the course of treaty negotiations, I would like to emphasize the strong concern of the Government and people of Japan for the safety of the people of these islands since Japan possesses residual sovereignty over these islands. If an armed attack occurs or is threatened against these islands, the two countries will of course consult together closely under Article IV of the Treaty of Mutual Cooperation and Security. In the event of an armed attack, it is the intention of the Government of Japan to explore with the United States measures which it might be able to take for the welfare of the islanders.

United States Plenipotentiary:

In the event of an armed attack against these islands, the United States Government will consult at once with the Government of Japan and intends to take the necessary measures for the defense of these islands, and to do its utmost to secure the welfare of the islanders.

WASHINGTON, *January 19, 1960.*

C. A. H.
N. K

Agreement Under Article VI of the Treaty

AGREEMENT UNDER ARTICLE VI OF THE TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES OF AMERICA AND JAPAN, REGARDING FACILITIES AND AREAS AND THE STATUS OF UNITED STATES ARMED FORCES IN JAPAN

The United States of America and Japan, pursuant to Article VI of the Treaty of Mutual Cooperation and Security between the United States of America and Japan signed at Washington on January 19, 1960, have entered into this Agreement in terms as set forth below:

[8] TIAS 2490; for text, see BULLETIN of Aug. 27, 1951, p. 349.

Article I

In this Agreement the expression—

(a) "members of the United States armed forces" means the personnel on active duty belonging to the land, sea or air armed services of the United States of America when in the territory of Japan.

(b) "civilian component" means the civilian persons of United States nationality who are in the employ of, serving with, or accompanying the United States armed forces in Japan, but excludes persons who are ordinarily resident in Japan or who are mentioned in paragraph 1 of Article XIV. For the purposes of this Agreement only, dual nationals, United States and Japanese, who are brought to Japan by the United States shall be considered as United States nationals.

(c) "dependents" means

(1) Spouse, and children under 21;

(2) Parents, and children over 21, if dependent for over half their support upon a member of the United States armed forces or civilian component.

Article II

1. (a) The United States is granted, under Article VI of the Treaty of Mutual Cooperation and Security, the use of facilities and areas in Japan. Agreements as to specific facilities and areas shall be concluded by the two Governments through the Joint Committee provided for in Article XXV of this Agreement. "Facilities and areas" include existing furnishings, equipment and fixtures necessary to the operation of such facilities and areas.

(b) The facilities and areas of which the United States has the use at the time of expiration of the Administrative Agreement under Article III of the Security Treaty between the United States of America and Japan, shall be considered as facilities and areas agreed upon between the two Governments in accordance with subparagraph (a) above.

2. At the request of either Government, the Governments of the United States and Japan shall review such arrangements and may agree that such facilities and areas shall be returned to Japan or that additional facilities and areas may be provided.

3. The facilities and areas used by the United States armed forces shall be returned to Japan whenever they are no longer needed for purposes of this Agreement, and the United States agrees to keep the needs for facilities and areas under continual observation with a view toward such return.

4. (a) When facilities and areas are temporarily not being used by the United States armed forces, the Government of Japan may make, or permit Japanese nationals to make, interim use of such facilities and areas provided that it is agreed between the two Governments through the Joint Committee that such use would not be harmful to the purposes for which the facilities and areas are normally used by the United States armed forces.

(b) With respect to facilities and areas which are to be used by United States armed forces for limited periods of time, the Joint Committee shall specify in the agreements covering such facilities and areas the extent to which the provisions of this Agreement shall apply.

Article III

1. Within the facilities and areas, the United States may take all the measures necessary for their establishment, operation, safeguarding and control. In order to provide access for the United States armed forces to the facilities and areas for their support, safeguarding and control, the Government of Japan shall, at the request of the United States armed forces and upon consultation between the two Governments through the Joint Committee, take necessary measures within the scope of applicable laws and regulations over land, territorial waters and airspace adjacent to, or in the vicinities of the facilities and areas. The United States may also take necessary measures for such purposes upon consultation between the two Governments through the Joint Committee.

2. The United States agrees not to take the measures referred to in paragraph 1 in such a manner as to interfere unnecessarily with navigation, aviation, communication, or land travel to or from or within the territories of Japan. All questions relating to frequencies, power and like matters used by apparatus employed by the United States designed to emit electric radiation shall be settled by arrangement between the appropriate authorities of the two Governments. The Government of Japan shall, within the scope of applicable laws and regulations, take all reasonable measures to avoid or eliminate interference with telecommunications electronics required by the United States armed forces.

3. Operations in the facilities and areas in use by the United States armed forces shall be carried on with due regard for the public safety.

Article IV

1. The United States is not obliged, when it returns facilities and areas to Japan on the expiration of this Agreement or at an earlier date, to restore the facilities and areas to the condition in which they were at the time they became available to the United States armed forces, or to compensate Japan in lieu of such restoration.

2. Japan is not obliged to make any compensation to the United States for any improvements made in the facilities and areas or for the buildings or structures left thereon on the expiration of this Agreement or the earlier return of the facilities and areas.

3. The foregoing provisions shall not apply to any construction which the Government of the United States may undertake under special arrangements with the Government of Japan.

Article V

1. United States and foreign vessels and aircraft operated by, for, or under the control of the United States for official purposes shall be accorded access to any port or airport of Japan free from toll or landing charges. When cargo or passengers not accorded the exemptions of this Agreement are carried on such vessels and aircraft, notification shall be given to the appropriate Japanese authorities, and their entry into and departure from Japan shall be according to the laws and regulations of Japan.

2. The vessels and aircraft mentioned in paragraph 1, United States Government-owned vehicles including

armor, and members of the United States armed forces, the civilian component, and their dependents shall be accorded access to and movement between facilities and areas in use by the United States armed forces and between such facilities and areas and the ports or airports of Japan. Such access to and movement between facilities and areas by United States military vehicles shall be free from toll and other charges.

3. When the vessels mentioned in paragraph 1 enter Japanese ports, appropriate notification shall, under normal conditions, be made to the proper Japanese authorities. Such vessels shall have freedom from compulsory pilotage, but if a pilot is taken pilotage shall be paid for at appropriate rates.

Article VI

1. All civil and military air traffic control and communications systems shall be developed in close coordination and shall be integrated to the extent necessary for fulfillment of collective security interests. Procedures, and any subsequent changes thereto, necessary to effect this coordination and integration will be established by arrangement between the appropriate authorities of the two Governments.

2. Lights and other aids to navigation of vessels and aircraft placed or established in the facilities and areas in use by United States armed forces and in territorial waters adjacent thereto or in the vicinity thereof shall conform to the system in use in Japan. The United States and Japanese authorities which have established such navigation aids shall notify each other of their positions and characteristics and shall give advance notification before making any changes in them or establishing additional navigation aids.

Article VII

The United States armed forces shall have the use of all public utilities and services belonging to, or controlled or regulated by the Government of Japan, and shall enjoy priorities in such use, under conditions no less favorable than those that may be applicable from time to time to the ministries and agencies of the Government of Japan.

Article VIII

The Government of Japan undertakes to furnish the United States armed forces with the following meteorological services in accordance with arrangements between the appropriate authorities of the two Governments:

(a) Meteorological observations from land and ocean areas including observations from weather ships.

(b) Climatological information including periodic summaries and the historical data of the Meteorological Agency.

(c) Telecommunications service to disseminate meteorological information required for the safe and regular operation of aircraft.

(d) Seismographic data including forecasts of the estimated size of tidal waves resulting from earthquakes and areas that might be affected thereby.

Article IX

1. The United States may bring into Japan persons who are members of the United States armed forces, the civilian component, and their dependents, subject to the provisions of this Article.

2. Members of the United States armed forces shall be exempt from Japanese passport and visa laws and regulations. Members of the United States armed forces, the civilian component, and their dependents shall be exempt from Japanese laws and regulations on the registration and control of aliens, but shall not be considered as acquiring any right to permanent residence or domicile in the territories of Japan.

3. Upon entry into or departure from Japan members of the United States armed forces shall be in possession of the following documents:

(a) personal identity card showing name, date of birth, rank and number, service, and photograph; and

(b) individual or collective travel order certifying to the status of the individual or group as a member or members of the United States armed forces and to the travel ordered.

For purposes of their identification while in Japan, members of the United States armed forces shall be in possession of the foregoing personal identity card which must be presented on request to the appropriate Japanese authorities.

4. Members of the civilian component, their dependents, and the dependents of members of the United States armed forces shall be in possession of appropriate documentation issued by the United States authorities so that their status may be verified by Japanese authorities upon their entry into or departure from Japan, or while in Japan.

5. If the status of any person brought into Japan under paragraph 1 of this Article is altered so that he would no longer be entitled to such admission, the United States authorities shall notify the Japanese authorities and shall, if such person be required by the Japanese authorities to leave Japan, assure that transportation from Japan will be provided within a reasonable time at no cost to the Government of Japan.

6. If the Government of Japan has requested the removal from its territory of a member of the United States armed forces or civilian component or has made an expulsion order against an ex-member of the United States armed forces or the civilian component or against a dependent of a member or ex-member, the authorities of the United States shall be responsible for receiving the person concerned within its own territory or otherwise disposing of him outside Japan. This paragraph shall apply only to persons who are not nationals of Japan and have entered Japan as members of the United States armed forces or civilian component or for the purpose of becoming such members, and to the dependents of such persons.

Article X

1. Japan shall accept as valid, without a driving test or fee, the driving permit or license or military driving permit issued by the United States to a member of the

United States armed forces, the civilian component, and their dependents.

2. Official vehicles of the United States armed forces and the civilian component shall carry distinctive numbered plates or individual markings which will readily identify them.

3. Privately owned vehicles of members of the United States armed forces, the civilian component, and their dependents shall carry Japanese number plates to be acquired under the same conditions as those applicable to Japanese nationals.

Article XI

1. Save as provided in this Agreement, members of the United States armed forces, the civilian component, and their dependents shall be subject to the laws and regulations administered by the customs authorities of Japan.

2. All materials, supplies and equipment imported by the United States armed forces, the authorized procurement agencies of the United States armed forces, or by the organizations provided for in Article XV, for the official use of the United States armed forces or for the use of the members of the United States armed forces, the civilian component, and their dependents, and materials, supplies and equipment which are to be used exclusively by the United States armed forces or are ultimately to be incorporated into articles or facilities used by such forces, shall be permitted entry into Japan; such entry shall be free from customs duties and other such charges. Appropriate certification shall be made that such materials, supplies and equipment are being imported by the United States armed forces, the authorized procurement agencies of the United States armed forces, or by the organizations provided for in Article XV, or, in the case of materials, supplies and equipment to be used exclusively by the United States armed forces or ultimately to be incorporated into articles or facilities used by such forces, that delivery thereof is to be taken by the United States armed forces for the purposes specified above.

3. Property consigned to and for the personal use of members of the United States armed forces, the civilian component, and their dependents, shall be subject to customs duties and other such charges, except that no duties or charges shall be paid with respect to:

(a) Furniture and household goods for their private use imported by the members of the United States armed forces or civilian component when they first arrive to serve in Japan or by their dependents when they first arrive for reunion with members of such forces or civilian component, and personal effects for private use brought by the said persons upon entrance.

(b) Vehicles and parts imported by members of the United States armed forces or civilian component for the private use of themselves or their dependents.

(c) Reasonable quantities of clothing and household goods of a type which would ordinarily be purchased in the United States for everyday use for the private use of members of the United States armed forces, civilian component, and their dependents, which are mailed into Japan through United States military post offices.

4. The exemptions granted in paragraphs 2 and 3 shall apply only to cases of importation of goods and shall not be interpreted as refunding customs duties and domestic excises collected by the customs authorities at the time of entry in cases of purchases of goods on which such duties and excises have already been collected.

5. Customs examination shall not be made in the following cases:

(a) Units of the United States armed forces under orders entering or leaving Japan;

(b) Official documents under official seal and official mail in United States military postal channels;

(c) Military cargo shipped on a United States Government bill of lading.

6. Except as such disposal may be authorized by the United States and Japanese authorities in accordance with mutually agreed conditions, goods imported into Japan free of duty shall not be disposed of in Japan to persons not entitled to import such goods free of duty.

7. Goods imported into Japan free from customs duties and other such charges pursuant to paragraphs 2 and 3, may be re-exported free from customs duties and other such charges.

8. The United States armed forces, in cooperation with Japanese authorities, shall take such steps as are necessary to prevent abuse of privileges granted to the United States armed forces, members of such forces, the civilian component, and their dependents in accordance with this Article.

9. (a) In order to prevent offenses against laws and regulations administered by the customs authorities of the Government of Japan, the Japanese authorities and the United States armed forces shall assist each other in the conduct of inquiries and the collection of evidence.

(b) The United States armed forces shall render all assistance within their power to ensure that articles liable to seizure by, or on behalf of, the customs authorities of the Government of Japan are handed to those authorities.

(c) The United States armed forces shall render all assistance within their power to ensure the payment of duties, taxes, and penalties payable by members of such forces or of the civilian component, or their dependents.

(d) Vehicles and articles belonging to the United States armed forces seized by the customs authorities of the Government of Japan in connection with an offense against its customs or fiscal laws or regulations shall be handed over to the appropriate authorities of the force concerned.

Article XII

1. The United States may contract for any supplies or construction work to be furnished or undertaken in Japan for purposes of, or authorized by, this Agreement, without restriction as to choice of supplier or person who does the construction work. Such supplies or construction work may, upon agreement between the appropriate authorities of the two Governments, also be procured through the Government of Japan.

2. Materials, supplies, equipment and services which are required from local sources for the maintenance of the

United States armed forces and the procurement of which may have an adverse effect on the economy of Japan shall be procured in coordination with, and, when desirable, through or with the assistance of, the competent authorities of Japan.

3. Materials, supplies, equipment and services procured for official purposes in Japan by the United States armed forces, or by authorized procurement agencies of the United States armed forces upon appropriate certification shall be exempt from the following Japanese taxes:

(a) Commodity tax
(b) Travelling tax
(c) Gasoline tax
(d) Electricity and gas tax.

Materials, supplies, equipment and services procured for ultimate use by the United States armed forces shall be exempt from commodity and gasoline taxes upon appropriate certification by the United States armed forces. With respect to any present or future Japanese taxes not specifically referred to in this Article which might be found to constitute a significant and readily identifiable part of the gross purchase price of materials, supplies, equipment and services procured by the United States armed forces, or for ultimate use by such forces, the two Governments will agree upon a procedure for granting such exemption or relief therefrom as is consistent with the purposes of this Article.

4. Local labor requirements of United States armed forces and of the organizations provided for in Article XV shall be satisfied with the assistance of the Japanese authorities.

5. The obligations for the withholding and payment of income tax, local inhabitant tax and social security contributions, and, except as may otherwise be mutually agreed, the conditions of employment and work, such as those relating to wages and supplementary payments, the conditions for the protection of workers, and the rights of workers concerning labor relations shall be those laid down by the legislation of Japan.

6. Should the United States armed forces or as appropriate an organization provided for in Article XV dismiss a worker and a decision of a court or a Labor Relations Commission of Japan to the effect that the contract of employment has not terminated become final, the following procedures shall apply:

(a) The United States armed forces or the said organization shall be informed by the Government of Japan of the decision of the court or Commission;

(b) Should the United States armed forces or the said organization not desire to return the worker to duty, they shall so notify the Government of Japan within seven days after being informed by the latter of the decision of the court or Commission, and may temporarily withhold the worker from duty;

(c) Upon such notification, the Government of Japan and the United States armed forces or the said organization shall consult together without delay with a view to finding a practical solution of the case;

(d) Should such a solution not be reached within a period of thirty days from the date of commencement of the consultations under (c) above, the worker will not be entitled to return to duty. In such case, the Government of the United States shall pay to the Government of Japan an amount equal to the cost of employment of the worker for a period of time to be agreed between the two Governments.

7. Members of the civilian component shall not be subject to Japanese laws or regulations with respect to terms and conditions of employment.

8. Neither members of the United States armed forces, civilian component, nor their dependents, shall by reason of this Article enjoy any exemption from taxes or similar charges relating to personal purchases of goods and services in Japan chargeable under Japanese legislation.

9. Except as such disposal may be authorized by the United States and Japanese authorities in accordance with mutually agreed conditions, goods purchased in Japan exempt from the taxes referred to in paragraph 3, shall not be disposed of in Japan to persons not entitled to purchase such goods exempt from such tax.

Article XIII

1. The United States armed forces shall not be subject to taxes or similar charges on property held, used or transferred by such forces in Japan.

2. Members of the United States armed forces, the civilian component, and their dependents shall not be liable to pay any Japanese taxes to the Government of Japan or to any other taxing agency in Japan on income received as a result of their service with or employment by the United States armed forces, or by the organizations provided for in Article XV. The provisions of this Article do not exempt such persons from payment of Japanese taxes on income derived from Japanese sources, nor do they exempt United States citizens who for United States income tax purposes claim Japanese residence from payment of Japanese taxes on income. Periods during which such persons are in Japan solely by reason of being members of the United States armed forces, the civilian component, or their dependents shall not be considered as periods of residence or domicile in Japan for the purpose of Japanese taxation.

3. Members of the United States armed forces, the civilian component, and their dependents shall be exempt from taxation in Japan on the holding, use, transfer *inter se*, or transfer by death of movable property, tangible or intangible, the presence of which in Japan is due solely to the temporary presence of these persons in Japan, provided that such exemption shall not apply to property held for the purpose of investment or the conduct of business in Japan or to any intangible property registered in Japan. There is no obligation under this Article to grant exemption from taxes payable in respect of the use of roads by private vehicles.

Article XIV

1. Persons, including corporations organized under the laws of the United States, and their employees who are ordinarily resident in the United States and whose presence in Japan is solely for the purpose of executing contracts with the United States for the benefit of the

United States armed forces, and who are designated by the Government of the United States in accordance with the provisions of paragraph 2 below, shall, except as provided in this Article, be subject to the laws and regulations of Japan.

2. The designation referred to in paragraph 1 above shall be made upon consultation with the Government of Japan and shall be restricted to cases where open competitive bidding is not practicable due to security considerations, to the technical qualifications of the contractors involved, or to the unavailability of materials or services required by United States standards, or to limitations of United States law.

The designation shall be withdrawn by the Government of the United States:

(a) upon completion of contracts with the United States for the United States armed forces;

(b) upon proof that such persons are engaged in business activities in Japan other than those pertaining to the United States armed forces; or

(c) when such persons are engaged in practices illegal in Japan.

3. Upon certification by appropriate United States authorities as to their identity, such persons and their employees shall be accorded the following benefits of this Agreement:

(a) Rights of accession and movement, as provided for in Article V, paragraph 2;

(b) Entry into Japan in accordance with the provisions of Article IX;

(c) The exemption from customs duties, and other such charges provided for in Article XI, paragraph 3, for members of the United States armed forces, the civilian component, and their dependents;

(d) If authorized by the Government of the United States the right to use the services of the organizations provided for in Article XV;

(e) Those provided for in Article XIX, paragraph 2, for members of the armed forces of the United States, the civilian component, and their dependents;

(f) If authorized by the Government of the United States, the right to use military payment certificates, as provided for in Article XX;

(g) The use of postal facilities provided for in Article XXI;

(h) Exemption from the laws and regulations of Japan with respect to terms and conditions of employment.

4. Such persons and their employees shall be so described in their passports and their arrival, departure and their residence while in Japan shall from time to time be notified by the United States armed forces to the Japanese authorities.

5. Upon certification by an authorized officer of the United States armed forces, depreciable assets except houses, held, used, or transferred, by such persons and their employees exclusively for the execution of contracts referred to in paragraph 1 shall not be subject to taxes or similar charges of Japan.

6. Upon certification by an authorized officer of the United States armed forces, such persons and their employees shall be exempt from taxation in Japan on the holding, use, transfer by death, or transfer to persons or agencies entitled to tax exemption under this Agreement, of movable property, tangible or intangible, the presence of which in Japan is due solely to the temporary presence of these persons in Japan, provided that such exemption shall not apply to property held for the purpose of investment or the conduct of other business in Japan or to any intangible property registered in Japan. There is no obligation under this Article to grant exemption from taxes payable in respect of the use of roads by private vehicles.

7. The persons and their employees referred to in paragraph 1 shall not be liable to pay income or corporation taxes to the Government of Japan or to any other taxing agency in Japan on any income derived under a contract made in the United States with the Government of the United States in connection with the construction, maintenance or operation of any of the facilities or areas covered by this Agreement. The provisions of this paragraph do not exempt such persons from payment of income or corporation taxes on income derived from Japanese sources, nor do they exempt such persons and their employees who, for United States income tax purposes, claim Japanese residence, from payment of Japanese taxes on income. Periods during which such persons are in Japan solely in connection with the execution of a contract with the Government of the United States shall not be considered periods of residence or domicile in Japan for the purposes of such taxation.

8. Japanese authorities shall have the primary right to exercise jurisdiction over the persons and their employees referred to in paragraph 1 of this Article in relation to offenses committed in Japan and punishable by the law of Japan. In those cases in which the Japanese authorities decide not to exercise such jurisdiction they shall notify the military authorities of the United States as soon as possible. Upon such notification the military authorities of the United States shall have the right to exercise such jurisdiction over the persons referred to as is conferred on them by the law of the United States.

Article XV

1. (a) Navy exchanges, post exchanges, messes, social clubs, theaters, newspapers and other non-appropriated fund organizations authorized and regulated by the United States military authorities may be established in the facilities and areas in use by the United States armed forces for the use of members of such forces, the civilian component, and their dependents. Except as otherwise provided in this Agreement, such organizations shall not be subject to Japanese regulations, license, fees, taxes or similar controls.

(b) When a newspaper authorized and regulated by the United States military authorities is sold to the general public, it shall be subject to Japanese regulations, license, fees, taxes or similar controls so far as such circulation is concerned.

2. No Japanese tax shall be imposed on sales of merchandise and services by such organizations, except as provided in paragraph 1(b), but purchases within Japan

of merchandise and supplies by such organizations shall be subject to Japanese taxes.

3. Except as such disposal may be authorized by the United States and Japanese authorities in accordance with mutually agreed conditions, goods which are sold by such organizations shall not be disposed of in Japan to persons not authorized to make purchases from such organizations.

4. The organizations referred to in this Article shall provide such information to the Japanese authorities as is required by Japanese tax legislation.

Article XVI

It is the duty of members of the United States armed forces, the civilian component, and their dependents to respect the law of Japan and to abstain from any activity inconsistent with the spirit of this Agreement, and, in particular, from any political activity in Japan.

Article XVII

1. Subject to the provisions of this Article,

(a) the military authorities of the United States shall have the right to exercise within Japan all criminal and disciplinary jurisdiction conferred on them by the law of the United States over all persons subject to the military law of the United States;

(b) the authorities of Japan shall have jurisdiction over the members of the United States armed forces, the civilian component, and their dependents with respect to offenses committed within the territory of Japan and punishable by the law of Japan.

2. (a) The military authorities of the United States shall have the right to exercise exclusive jurisdiction over persons subject to the military law of the United States with respect to offenses, including offenses relating to its security, punishable by the law of the United States, but not by the law of Japan.

(b) The authorities of Japan shall have the right to exercise exclusive jurisdiction over members of the United States armed forces, the civilian component, and their dependents with respect to offenses, including offenses relating to the security of Japan, punishable by its law but not by the law of the United States.

(c) For the purposes of this paragraph and of paragraph 3 of this Article a security offense against a State shall include

(i) treason against the State;

(ii) sabotage, espionage or violation of any law relating to official secrets of that State, or secrets relating to the national defense of that State.

3. In cases where the right to exercise jurisdiction is concurrent the following rules shall apply:

(a) The military authorities of the United States shall have the primary right to exercise jurisdiction over members of the United States armed forces or the civilian component in relation to

(i) offenses solely against the property or security of the United States, or offenses solely against the person or property of another member of the United States armed forces or the civilian component or of a dependent;

(ii) offenses arising out of any act or omission done in the performance of official duty.

(b) In the case of any other offense the authorities of Japan shall have the primary right to exercise jurisdiction.

(c) If the State having the primary right decides not to exercise jurisdiction, it shall notify the authorities of the other State as soon as practicable. The authorities of the State having the primary right shall give sympathetic consideration to a request from the authorities of the other State for a waiver of its right in cases where that other State considers such waiver to be of particular importance.

4. The foregoing provisions of this Article shall not imply any right for the military authorities of the United States to exercise jurisdiction over persons who are nationals of or ordinarily resident in Japan, unless they are members of the United States armed forces.

5. (a) The military authorities of the United States and the authorities of Japan shall assist each other in the arrest of members of the United States armed forces, the civilian component, or their dependents in the territory of Japan and in handing them over to the authority which is to exercise jurisdiction in accordance with the above provisions.

(b) The authorities of Japan shall notify promptly the military authorities of the United States of the arrest of any member of the United States armed forces, the civilian component, or a dependent.

(c) The custody of an accused member of the United States armed forces or the civilian component over whom Japan is to exercise jurisdiction shall, if he is in the hands of the United States, remain with the United States until he is charged by Japan.

6. (a) The military authorities of the United States and the authorities of Japan shall assist each other in the carrying out of all necessary investigations into offenses, and in the collection and production of evidence, including the seizure and, in proper cases, the handing over of objects connected with an offense. The handing over of such objects may, however, be made subject to their return within the time specified by the authority delivering them.

(b) The military authorities of the United States and the authorities of Japan shall notify each other of the disposition of all cases in which there are concurrent rights to exercise jurisdiction.

7. (a) A death sentence shall not be carried out in Japan by the military authorities of the United States if the legislation of Japan does not provide for such punishment in a similar case.

(b) The authorities of Japan shall give sympathetic consideration to a request from the military authorities of the United States for assistance in carrying out a sentence of imprisonment pronounced by the military authorities of the United States under the provisions of this Article within the territory of Japan.

8. Where an accused has been tried in accordance with the provisions of this Article either by the military authorities of the United States or the authorities of Japan

and has been acquitted, or has been convicted and is serving, or has served, his sentence or has been pardoned, he may not be tried again for the same offense within the territory of Japan by the authorities of the other State. However, nothing in this paragraph shall prevent the military authorities of the United States from trying a member of its armed forces for any violation of rules of discipline arising from an act or omission which constituted an offense for which he was tried by the authorities of Japan.

9. Whenever a member of the United States armed forces, the civilian component or a dependent is prosecuted under the jurisdiction of Japan he shall be entitled:

(a) to a prompt and speedy trial;

(b) to be informed, in advance of trial, of the specific charge or charges made against him;

(c) to be confronted with the witnesses against him;

(d) to have compulsory process for obtaining witnesses in his favor, if they are within the jurisdiction of Japan;

(e) to have legal representation of his own choice for his defense or to have free or assisted legal representation under the conditions prevailing for the time being in Japan;

(f) if he considers it necessary, to have the services of a competent interpreter; and

(g) to communicate with a representative of the Government of the United States and to have such a representative present at his trial.

10. (a) Regularly constituted military units or formations of the United States armed forces shall have the right to police any facilities or areas which they use under Article II of this Agreement. The military police of such forces may take all appropriate measures to ensure the maintenance of order and security within such facilities and areas.

(b) Outside these facilities and areas, such military police shall be employed only subject to arrangements with the authorities of Japan and in liaison with those authorities and in so far as such employment is necessary to maintain discipline and order among the members of the United States armed forces.

11. In the event of hostilities to which the provisions of Article V of the Treaty of Mutual Cooperation and Security apply, either the Government of the United States or the Government of Japan shall have the right, by giving sixty days' notice to the other, to suspend the application of any of the provisions of this Article. If this right is exercised, the Governments of the United States and Japan shall immediately consult with a view to agreeing on suitable provisions to replace the provisions suspended.

12. The provisions of this Article shall not apply to any offenses committed before the entry into force of this Agreement. Such cases shall be governed by the provisions of Article XVII of the Administrative Agreement under Article III of the Security Treaty between the United States of America and Japan, as it existed at the relevant time.

Article XVIII

1. Each Party waives all its claims against the other Party for damage to any property owned by it and used by its land, sea or air defense services, if such damage—

(a) was caused by a member or an employee of the defense services of the other Party in the performance of his official duties; or

(b) arose from the use of any vehicle, vessel or aircraft owned by the other Party and used by its defense services, provided either that the vehicle, vessel or aircraft causing the damage was being used for official purposes, or that the damage was caused to property being so used.

Claims for maritime salvage by one Party against the other Party shall be waived, provided that the vessel or cargo salved was owned by a Party and being used by its defense services for official purposes.

2. (a) In the case of damage caused or arising as stated in paragraph 1 to other property owned by either Party and located in Japan, the issue of the liability of the other Party shall be determined and the amount of damage shall be assessed, unless the two Governments agree otherwise, by a sole arbitrator selected in accordance with subparagraph (b) of this paragraph. The arbitrator shall also decide any counter-claims arising out of the same incident.

(b) The arbitrator referred to in subparagraph (a) above shall be selected by agreement between the two Governments from amongst the nationals of Japan who hold or have held high judicial office.

(c) Any decision taken by the arbitrator shall be binding and conclusive upon the Parties.

(d) The amount of any compensation awarded by the arbitrator shall be distributed in accordance with the provisions of paragraph 5(e)(i),(ii) and (iii) of this Article.

(e) The compensation of the arbitrator shall be fixed by agreement between the two Governments and shall, together with the necessary expenses incidental to the performance of his duties, be defrayed in equal proportions by them.

(f) Nevertheless, each Party waives its claim in any such case up to the amount of 1,400 United States dollars or 504,000 yen. In the case of considerable variation in the rate of exchange between these currencies the two Governments shall agree on the appropriate adjustments of these amounts.

3. For the purposes of paragraphs 1 and 2 of this Article the expression "owned by a Party" in the case of a vessel includes a vessel on bare boat charter to that Party or requisitioned by it on bare boat terms or seized by it in prize (except to the extent that the risk of loss or liability is borne by some person other than such Party).

4. Each Party waives all its claims against the other Party for injury or death suffered by any member of its defense services while such member was engaged in the performance of his official duties.

5. Claims (other than contractual claims and those to which paragraphs 6 or 7 of this Article apply) arising out of acts or omissions of members or employees of the United States armed forces done in the performance of official duty, or out of any other act, omission or occurrence for which the United States armed forces are legally responsible, and causing damage in Japan to third parties,

other than the Government of Japan, shall be dealt with by Japan in accordance with the following provisions:

(a) Claims shall be filed, considered and settled or adjudicated in accordance with the laws and regulations of Japan with respect to claims arising from the activities of its Self-Defense Forces.

(b) Japan may settle any such claims, and payment of the amount agreed upon or determined by adjudication shall be made by Japan in yen.

(c) Such payment, whether made pursuant to a settlement or to adjudication of the case by a competent tribunal of Japan, or the final adjudication by such a tribunal denying payment, shall be binding and conclusive upon the Parties.

(d) Every claim paid by Japan shall be communicated to the appropriate United States authorities together with full particulars and a proposed distribution in conformity with subparagraphs (e) (i) and (ii) below. In default of a reply within two months, the proposed distribution shall be regarded as accepted.

(e) The cost incurred in satisfying claims pursuant to the preceding subparagraphs and paragraph 2 of this Article shall be distributed between the Parties as follows:

(i) Where the United States alone is responsible, the amount awarded or adjudged shall be distributed in the proportion of 25 percent chargeable to Japan and 75 percent chargeable to the United States.

(ii) Where the United States and Japan are responsible for the damage, the amount awarded or adjudged shall be distributed equally between them. Where the damage was caused by the defense services of the United States or Japan and it is not possible to attribute it specifically to one or both of those defense services, the amount awarded or adjudged shall be distributed equally between the United States and Japan.

(iii) Every half-year, a statement of the sums paid by Japan in the course of the half-yearly period in respect of every case regarding which the proposed distribution on a percentage basis has been accepted, shall be sent to the appropriate United States authorities, together with a request for reimbursement. Such reimbursement shall be made, in yen, within the shortest possible time.

(f) Members or employees of the United States armed forces, excluding those employees who have only Japanese nationality, shall not be subject to any proceedings for the enforcement of any judgment given against them in Japan in a matter arising from the performance of their official duties.

(g) Except in so far as subparagraph (e) of this paragraph applies to claims covered by paragraph 2 of this Article, the provisions of this paragraph shall not apply to any claim arising out of or in connection with the navigation or operation of a ship or the loading, carriage, or discharge of a cargo, other than claims for death or personal injury to which paragraph 4 of this Article does not apply.

6. Claims against members or employees of the United States armed forces (except employees who are nationals of or ordinarily resident in Japan) arising out of tortious acts or omissions in Japan not done in the performance of official duty shall be dealt with in the following manner:

(a) The authorities of Japan shall consider the claim and assess compensation to the claimant in a fair and just manner, taking into account all the circumstances of the case, including the conduct of the injured person, and shall prepare a report on the matter.

(b) The report shall be delivered to the appropriate United States authorities, who shall then decide without delay whether they will offer an *ex gratia* payment, and if so, of what amount.

(c) If an offer of *ex gratia* payment is made, and accepted by the claimant in full satisfaction of his claim, the United States authorities shall make the payment themselves and inform the authorities of Japan of their decision and of the sum paid.

(d) Nothing in this paragraph shall affect the jurisdiction of the courts of Japan to entertain an action against a member or an employee of the United States armed forces unless and until there has been payment in full satisfaction of the claim.

7. Claims arising out of the unauthorized use of any vehicle of the United States armed forces shall be dealt with in accordance with paragraph 6 of this Article, except in so far as the United States armed forces are legally responsible.

8. If a dispute arises as to whether a tortious act or omission of a member or an employee of the United States armed forces was done in the performance of official duty or as to whether the use of any vehicle of the United States armed forces was unauthorized, the question shall be submitted to an arbitrator appointed in accordance with paragraph 2(b) of this Article, whose decision on this point shall be final and conclusive.

9. (a) The United States shall not claim immunity from the jurisdiction of the courts of Japan for members or employees of the United States armed forces in respect of the civil jurisdiction of the courts of Japan except to the extent provided in paragraph 5(f) of this Article.

(b) In case any private movable property, excluding that in use by the United States armed forces, which is subject to compulsory execution under Japanese law, is within the facilities and areas in use by the United States armed forces, the United States authorities shall, upon the request of Japanese courts, possess and turn over such property to the Japanese authorities.

(c) The authorities of the United States and Japan shall cooperate in the procurement of evidence for a fair hearing and disposal of claims under this Article.

10. Disputes arising out of contracts concerning the procurement of materials, supplies, equipment, services and labor by or for the United States armed forces, which are not resolved by the parties to the contract concerned, may be submitted to the Joint Committee for conciliation, provided that the provisions of this paragraph shall not prejudice any right which the parties to the contract may have to file a civil suit.

11. The term "defense services" used in this Article is understood to mean for Japan its Self-Defense Forces and for the United States its armed forces.

12. Paragraphs 2 and 5 of this Article shall apply only to claims arising incident to non-combat activities.

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13. The provisions of this Article shall not apply to any claims which arose before the entry into force of this Agreement. Such claims shall be dealt with by the provisions of Article XVIII of the Administrative Agreement under Article III of the Security Treaty between the United States of America and Japan.

Article XIX

1. Members of the United States armed forces, the civilian component, and their dependents, shall be subject to the foreign exchange controls of the Government of Japan.

2. The preceding paragraph shall not be construed to preclude the transmission into or outside of Japan of United States dollars or dollar instruments representing the official funds of the United States or realized as a result of service or employment in connection with this Agreement by members of the United States armed forces and the civilian component, or realized by such persons and their dependents from sources outside of Japan.

3. The United States authorities shall take suitable measures to preclude the abuse of the privileges stipulated in the preceding paragraph or circumvention of the Japanese foreign exchange controls.

Article XX

1. (a) United States military payment certificates denominated in dollars may be used by persons authorized by the United States for internal transactions within the facilities and areas in use by the United States armed forces. The Government of the United States will take appropriate action to insure that authorized personnel are prohibited from engaging in transactions involving military payment certificates except as authorized by United States regulations. The Government of Japan will take necessary action to prohibit unauthorized persons from engaging in transactions involving military payment certificates and with the aid of United States authorities will undertake to apprehend and punish any person or persons under its jurisdiction involved in the counterfeiting or uttering of counterfeit military payment certificates.

(b) It is agreed that the United States authorities will apprehend and punish members of the United States armed forces, the civilian component, or their dependents, who tender military payment certificates to unauthorized persons and that no obligation will be due to such unauthorized persons or to the Government of Japan or its agencies from the United States or any of its agencies as a result of any unauthorized use of military payment certificates within Japan.

2. In order to exercise control of military payment certificates the United States may designate certain American financial institutions to maintain and operate, under United States supervision, facilities for the use of persons authorized by the United States to use military payment certificates. Institutions authorized to maintain military banking facilities will establish and maintain such facilities physically separated from their Japanese commercial banking business, with personnel whose sole duty is to maintain and operate such facilities. Such facilities shall be permitted to maintain United States currency bank accounts and to perform all financial transactions in connection therewith including receipt and remission of funds to the extent provided by Article XIX, paragraph 2, of this Agreement.

Article XXI

The United States may establish and operate, within the facilities and areas in use by the United States armed forces, United States military post offices for the use of members of the United States armed forces, the civilian component, and their dependents, for the transmission of mail between United States military post offices in Japan and between such military post offices and other United States post offices.

Article XXII

The United States may enroll and train eligible United States citizens residing in Japan, who apply for such enrollment, in the reserve organizations of the armed forces of the United States.

Article XXIII

The United States and Japan will cooperate in taking such steps as may from time to time be necessary to ensure the security of the United States armed forces, the members thereof, the civilian component, their dependents, and their property. The Government of Japan agrees to seek such legislation and to take such other action as may be necessary to ensure the adequate security and protection within its territory of installations, equipment, property, records and official information of the United States, and for the punishment of offenders under the applicable laws of Japan.

Article XXIV

1. It is agreed that the United States will bear for the duration of this Agreement without cost to Japan all expenditures incident to the maintenance of the United States armed forces in Japan except those to be borne by Japan as provided in paragraph 2.

2. It is agreed that Japan will furnish for the duration of this Agreement without cost to the United States and make compensation where appropriate to the owners and suppliers thereof all facilities and areas and rights of way, including facilities and areas jointly used such as those at airfields and ports, as provided in Articles II and III.

3. It is agreed that arrangements will be effected between the Governments of the United States and Japan for accounting applicable to financial transactions arising out of this Agreement.

Article XXV

1. A Joint Committee shall be established as the means for consultation between the Government of the United States and the Government of Japan on all matters requiring mutual consultation regarding the implementation of this Agreement. In particular, the Joint Committee shall serve as the means for consultation in determining the facilities and areas in Japan which are required for the use of the United States in carrying out

the purposes of the Treaty of Mutual Cooperation and Security.

2. The Joint Committee shall be composed of a representative of the Government of the United States and a representative of the Government of Japan, each of whom shall have one or more deputies and a staff. The Joint Committee shall determine its own procedures, and arrange for such auxiliary organs and administrative services as may be required. The Joint Committee shall be so organized that it may meet immediately at any time at the request of the representative of either the Government of the United States or the Government of Japan.

3. If the Joint Committee is unable to resolve any matter, it shall refer that matter to the respective Governments for further consideration through appropriate channels.

ARTICLE XXVI

1. This Agreement shall be approved by the United States and Japan in accordance with their legal procedures, and notes indicating such approval shall be exchanged.

2. After the procedure set forth in the preceding paragraph has been followed, this Agreement will enter into force on the date of coming into force of the Treaty of Mutual Cooperation and Security, at which time the Administrative Agreement under Article III of the Security Treaty between the United States of America and Japan, signed at Tokyo on February 28, 1952, as amended, shall expire.

3. The Government of each Party to this Agreement undertakes to seek from its legislature necessary budgetary and legislative action with respect to provisions of this Agreement which require such action for their execution.

ARTICLE XXVII

Either Government may at any time request the revision of any Article of this Agreement, in which case the two Governments shall enter into negotiation through appropriate channels.

ARTICLE XXVIII

This Agreement, and agreed revisions thereof, shall remain in force while the Treaty of Mutual Cooperation and Security remains in force unless earlier terminated by agreement between the two Governments.

IN WITNESS WHEREOF the undersigned Plenipotentiaries have signed this Agreement.

DONE at Washington, in duplicate, in the English and Japanese languages, both texts equally authentic, this 19th day of January, 1960.

For the United States of America:

CHRISTIAN A. HERTER
DOUGLAS MACARTHUR 2ND
J GRAHAM PARSONS

For Japan:

NOBUSUKE KISHI
AIICHIRO FUJIYAMA
MITSUJIRO ISHII
TADASHI ADACHI
KOICHIRO ASAKAI

Agreed Minutes to Agreement Under Article VI

AGREED MINUTES TO THE AGREEMENT UNDER ARTICLE VI OF THE TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES OF AMERICA AND JAPAN, REGARDING FACILITIES AND AREAS AND THE STATUS OF UNITED STATES ARMED FORCES IN JAPAN

The Plenipotentiaries of the United States of America and Japan wish to record the following understanding which they have reached during the negotiations for the Agreement under Article VI of the Treaty of Mutual Cooperation and Security between the United States of America and Japan, Regarding Facilities and Areas and the Status of United States Armed Forces in Japan, signed today:

Article III

The measures that may be taken by the United States under paragraph 1 shall, to the extent necessary to accomplish the purposes of this Agreement, include, *inter alia*, the following:

1. To construct (including dredging and filling), operate, maintain, utilize, occupy, garrison and control the facilities and areas;

2. To remove buildings or structures, make alterations, attach fixtures, or erect additions thereto and to construct any additional buildings or structures together with auxiliary facilities;

3. To improve and deepen the harbors, channels, entrances and anchorages, and to construct or maintain necessary roads and bridges affording access to such facilities and areas;

4. To control (including measures to prohibit) in so far as may be required by military necessity for the efficient operation and safety of the facilities and areas, anchorages, moorings, landings, takeoffs and operation of ships and waterborne craft, aircraft and other vehicles on water, in the air or on land comprising, or in the vicinity of, the facilities and areas;

5. To construct on rights of way utilized by the United States such wire and radio communications facilities, including submarine and subterranean cables, pipe lines and spur tracks from railroads, as may be required for military purposes; and

6. To construct, install, maintain and employ in any facility or area any type of installation, weapon, substance, device, vessel or vehicle on or under the ground, in the air or on or under the water that may be requisite or appropriate, including meteorological systems, aerial and water navigation lights, radio and radar apparatus and electronic devices.

Article V

1. "United States and foreign vessels—operated by, for, or under the control of the United States for official purposes" mean United States public vessels and chartered vessels (bare boat charter, voyage charter and time charter). Space charter is not included. Commercial cargo and private passengers are carried by them only in exceptional cases.

2. The Japanese ports mentioned herein will ordinarily mean "open ports".

3. The exemption from making "appropriate notification" will be applicable only to exceptional cases where such is required for security of the United States armed forces or similar reasons.

4. The laws and regulations of Japan will be applicable except as specifically provided otherwise in this Article.

Article VII

The problem of telecommunications rates applicable to the United States armed forces will continue to be studied in the light of, *inter alia*, the statements concerning Article VII recorded in the official minutes of the Tenth Joint Meeting for the Negotiation of the Administrative Agreement signed on February 28, 1952, which are hereby incorporated by reference.

Article IX

The Government of Japan will be notified at regular intervals, in accordance with procedures to be agreed between the two Governments, of numbers and categories of persons entering and departing .

Article XI

1. The quantity of goods imported under paragraph 2 by the organizations provided for in Article XV for the use of the members of the United States armed forces, the civilian component, and their dependents shall be limited to the extent reasonably required for such use.

2. Paragraph 3(a) does not require concurrent shipment of goods with travel of owner nor does it require single loading or shipment.

3. The term "military cargo" as used in paragraph 5(c) is not confined to arms and equipment but refers to all cargo shipped to the United States armed forces on a United States Government bill of lading, the term "military cargo" being used to distinguish cargo shipped to the United States armed forces from cargo shipped to other agencies of the United States Government.

4. The United States armed forces will take every practicable measure to ensure that goods will not be imported into Japan by or for the members of the United States armed forces, the civilian component, or their dependents, the entry of which would be in violation of Japanese customs laws and regulations. The United States armed forces will promptly notify the Japanese customs authorities whenever the entry of such goods is discovered.

5. The Japanese customs authorities may, if they consider that there has been an abuse or infringement in connection with the entry of goods under Article XI, take up the matter with the appropriate authorities of the United States armed forces.

6. The words "The United States armed forces shall render all assistance within their power etc." in paragraph 9 (b) and (c) refer to reasonable and practicable measures by the United States armed forces.

Article XII

1. The United States armed forces will furnish the Japanese authorities with appropriate information as far in advance as practicable on anticipated major changes in their procurement program in Japan.

2. The problem of a satisfactory settlement of difficulties with respect to procurement contracts arising out of differences between United States and Japanese economic laws and business practices will be studied by the Joint Committee or other appropriate persons.

3. The procedures for securing exemptions from taxation on purchases of goods for ultimate use by the United States armed forces will be as follows:

a. Upon appropriate certification by the United States armed forces that materials, supplies and equipment consigned to or destined for such forces, are to be used, or wholly or partially used up, under the supervision of such forces, exclusively in the execution of contracts for the construction, maintenance or operation of the facilities and areas referred to in Article II or for the support of the forces therein, or are ultimately to be incorporated into articles or facilities used by such forces, an authorized representative of such forces shall take delivery of such materials, supplies and equipment directly from manufacturers thereof. In such circumstances the collection of commodity and gasoline taxes shall be held in abeyance.

b. The receipt of such materials, supplies and equipment in the facilities and areas shall be confirmed by an authorized officer of the United States armed forces to the Japanese authorities.

c. Collection of commodity and gasoline taxes shall be held in abeyance until

(1) The United States armed forces confirm and certify the quantity or degree of consumption of the above referred to materials, supplies and equipment, or

(2) The United States armed forces confirm and certify the amount of the above referred to materials, supplies, and equipment which have been incorporated into articles or facilities used by United States armed forces.

d. materials, supplies, and equipment certified under c(1) or (2) shall be exempt from commodity and gasoline taxes in so far as the price thereof is paid out of United States Government appropriations or out of funds contributed by the Japanese Government for disbursement by the United States.

4. The Government of the United States shall ensure that the Government of Japan is reimbursed for costs incurred under relevant contracts between appropriate authorities of the Government of Japan and the organizations provided for in Article XV in connection with the employment of workers to be provided for such organizations.

5. It is understood that the term "the legislation of Japan" mentioned in paragraph 5, Article XII includes decisions of the courts and the Labor Relations Commissions of Japan, subject to the provisions of paragraph 6, Article XII.

6. It is understood that the provisions of Article XII, paragraph 6 shall apply only to discharges for security reasons including disturbing the maintenance of military discipline within the facilities and areas used by the United States armed forces.

7. It is understood that the organizations referred to in Article XV will be subject to the procedures of para-

graph 6 on the basis of mutual agreement between the appropriate authorities.

Article XIII

With respect to Article XIII, paragraph 2 and Article XIV, paragraph 7, income payable in Japan as a result of service with or employment by the United States armed forces or by the organizations provided for in Article XV, or under contract made in the United States with the United States Government, shall not be treated or considered as income derived from Japanese sources.

Article XV

The facilities referred to in paragraph 1 may be used by other officers and personnel of the United States Government ordinarily accorded such privileges abroad.

Article XVII

Re paragraph 1(a) and paragraph 2(a):

The scope of persons subject to the military laws of the United States shall be communicated, through the Joint Committee, to the Government of Japan by the Government of the United States.

Re paragraph 2(c):

Both Governments shall inform each other of the details of all the security offenses mentioned in this subparagraph and the provisions governing such offenses in the existing laws of their respective countries.

Re paragraph 3(a) (ii):

Where a member of the United States armed forces or the civilian component is charged with an offense, a certificate issued by or on behalf of his commanding officer stating that the alleged offense, if committed by him, arose out of an act or omission done in the performance of official duty, shall, in any judicial proceedings, be sufficient evidence of the fact unless the contrary is proved.

The above statement shall not be interpreted to prejudice in any way Article 318 of the Japanese Code of Criminal Procedure.

Re paragraph 3(c):

1. Mutual procedures relating to waivers of the primary right to exercise jurisdiction shall be determined by the Joint Committee.

2. Trials of cases in which the Japanese authorities have waived the primary right to exercise jurisdiction, and trials of cases involving offenses described in paragraph 3(a)(ii) committed against the State or nationals of Japan shall be held promptly in Japan within a reasonable distance from the places where the offenses are alleged to have taken place unless other arrangements are mutually agreed upon. Representatives of the Japanese authorities may be present at such trials.

Re paragraph 4:

Dual nationals, United States and Japanese, who are subject to the military law of the United States and are brought to Japan by the United States shall not be considered as nationals of Japan, but shall be considered as United States nationals for the purposes of this paragraph.

Re paragraph 5:

1. In case the Japanese authorities have arrested an offender who is a member of the United States armed forces, the civilian component, or a dependent subject to the military law of the United States with respect to a case over which Japan has the primary right to exercise jurisdiction, the Japanese authorities will, unless they deem that there is adequate cause and necessity to retain such offender, release him to the custody of the United States military authorities provided that he shall, on request, be made available to the Japanese authorities, if such be the condition of his release. The United States authorities shall, on request, transfer his custody to the Japanese authorities at the time he is indicted by the latter.

2. The United States military authorities shall promptly notify the Japanese authorities of the arrest of any member of the United States armed forces, the civilian component or a dependent in any case in which Japan has the primary right to exercise jurisdiction.

Re paragraph 9:

1. The rights enumerated in items (a) through (e) of this paragraph are guaranteed to all persons on trial in Japanese courts by the provisions of the Japanese Constitution. In addition to these rights, a member of the United States armed forces, the civilian component or a dependent who is prosecuted under the jurisdiction of Japan shall have such other rights as are guaranteed under the laws of Japan to all persons on trial in Japanese courts. Such additional rights include the following which are guaranteed under the Japanese Constitution:

(a) He shall not be arrested or detained without being at once informed of the charge against him or without the immediate privilege of counsel; nor shall he be detained without adequate cause; and upon demand of any person such cause must be immediately shown in open court in his presence and the presence of his counsel;

(b) He shall enjoy the right to a public trial by an impartial tribunal;

(c) He shall not be compelled to testify against himself;

(d) He shall be permitted full opportunity to examine all witnesses;

(e) No cruel punishments shall be imposed upon him.

2. The United States authorities shall have the right upon request to have access at any time to members of the United States armed forces, the civilian component, or their dependents who are confined or detained under Japanese authority.

3. Nothing in the provisions of paragraph 9(g) concerning the presence of a representative of the United States Government at the trial of a member of the United States armed forces, the civilian component or a dependent prosecuted under the jurisdiction of Japan, shall be so construed as to prejudice the provi-

sions of the Japanese Constitution with respect to public trials.

Re paragraphs 10(a) and 10(b):

1. The United States military authorities will normally make all arrests within facilities and areas in use by and guarded under the authority of the United States armed forces. This shall not preclude the Japanese authorities from making arrests within facilities and areas in cases where the competent authorities of the United States armed forces have given consent, or in cases of pursuit of a flagrant offender who has committed a serious crime.

Where persons whose arrest is desired by the Japanese authorities and who are not subject to the jurisdiction of the United States armed forces are within facilities and areas in use by the United States armed forces, the United States military authorities will undertake, upon request, to arrest such persons. All persons arrested by the United States military authorities, who are not subject to the jurisdiction of the United States armed forces, shall immediately be turned over to the Japanese authorities.

The United States military authorities may, under due process of law, arrest in the vicinity of a facility or area any person in the commission or attempted commission of an offense against the security of that facility or area. Any such person not subject to the jurisdiction of the United States armed forces shall immediately be turned over to the Japanese authorities.

2. The Japanese authorities will normally not exercise the right of search, seizure, or inspection with respect to any persons or property within facilities and areas in use by and guarded under the authority of the United States armed forces or with respect to property of the United States armed forces wherever situated, except in cases where the competent authorities of the United States armed forces consent to such search, seizure, or inspection by the Japanese authorities of such persons or property.

Where search, seizure, or inspection with respect to persons or property within facilities and areas in use by the United States armed forces or with respect to property of the United States armed forces in Japan is desired by the Japanese authorities, the United States military authorities will undertake, upon request, to make such search, seizure, or inspection. In the event of a judgment concerning such property, except property owned or utilized by the United States Government or its instrumentalities, the United States will turn over such property to the Japanese authorities for disposition in accordance with the judgment.

Article XIX

Payment in Japan by the United States armed forces and by those organizations provided in Article XV to persons other than members of the United States armed forces, civilian component, their dependents and those persons referred to in Article XIV shall be effected in accordance with the Japanese Foreign Exchange Control Law and regulations. In these transactions the basic rate of exchange shall be used.

Article XXI

United States military post offices may be used by other officers and personnel of the United States Government ordinarily accorded such privileges abroad.

Article XXIV

It is understood that nothing in this Agreement shall prevent the United States from utilizing, for the defrayment of expenses which are to be borne by the United States under this Agreement, dollar or yen funds lawfully acquired by the United States.

WASHINGTON, *January 19, 1960.*

C.A.H.
N.K

Exchange of Notes Incorporating Agreed Consultation Formula

JAPANESE NOTE

WASHINGTON, *January 19, 1960.*

EXCELLENCY: I have the honour to refer to the Treaty of Mutual Cooperation and Security between Japan and the United States of America signed today, and to inform Your Excellency that the following is the understanding of the Government of Japan concerning the implementation of Article VI thereof:

> Major changes in the deployment into Japan of United States armed forces, major changes in their equipment, and the use of facilities and areas in Japan as bases for military combat operations to be undertaken from Japan other than those conducted under Article V of the said Treaty, shall be the subjects of prior consultation with the Government of Japan.

I should be appreciative if Your Excellency would confirm on behalf of your Government that this is also the understanding of the Government of the United States of America.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

NOBUSUKE KISHI

His Excellency
CHRISTIAN A. HERTER,
Secretary of State
of the United States of America.

UNITED STATES REPLY

JANUARY 19, 1960

EXCELLENCY: I have the honor to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows:

[text of Japanese note]

I have the honor to confirm on behalf of my Government that the foregoing is also the understanding of the Government of the United States of America.

Accept, Excellency, the renewed assurances of my highest consideration.

CHRISTIAN A. HERTER
Secretary of State of the United States of America

His Excellency
NOBUSUKE KISHI,
Prime Minister of Japan.

Exchange of Notes Providing for Continuance in Effect of Acheson-Yoshida Exchange of Notes

UNITED STATES NOTE

JANUARY 19, 1960

EXCELLENCY: I have the honor to refer to the Security Treaty between the United States of America and Japan signed at the city of San Francisco on September 8, 1951, the exchange of notes effected on the same date[9] between Mr. Shigeru Yoshida, Prime Minister of Japan, and Mr. Dean Acheson, Secretary of State of the United States of America, and the Agreement Regarding the Status of the United Nations Forces in Japan signed at Tokyo on February 19, 1954,[10] as well as the Treaty of Mutual Cooperation and Security between the United States of America and Japan signed today. It is the understanding of my Government that:

1. The above-mentioned exchange of notes will continue to be in force so long as the Agreement Regarding the Status of the United Nations Forces in Japan remains in force.

2. The expression "those facilities and areas the use of which is provided to the United States of America under the Security Treaty between Japan and the United States of America" in Article V, paragraph 2 of the above-mentioned Agreement is understood to mean the facilities and areas the use of which is granted to the United States of America under the Treaty of Mutual Cooperation and Security.

3. The use of the facilities and areas by the United States armed forces under the Unified Command of the United Nations established pursuant to the Security Council Resolution of July 7, 1950, and their status in Japan are governed by arrangements made pursuant to the Treaty of Mutual Cooperation and Security.

I should be grateful if Your Excellency could confirm on behalf of your Government that the understanding of my Government stated in the foregoing numbered paragraphs is also the understanding of your Government and that this understanding shall enter into operation on the date of the entry into force of the Treaty of Mutual Cooperation and Security signed at Washington January 19, 1960.

Accept, Excellency, the renewed assurances of my highest consideration.

CHRISTIAN A. HERTER
Secretary of State of the United States of America

His Excellency
NOBUSUKE KISHI,
Prime Minister of Japan.

JAPANESE REPLY

WASHINGTON, *January 19, 1960.*

EXCELLENCY: I have the honour to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows:

[text of United States note]

I have the honour to confirm on behalf of my Government that the foregoing is also the understanding of the Government of Japan.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

NOBUSUKE KISHI

His Excellency
CHRISTIAN A. HERTER,
Secretary of State of the United States of America.

Exchange of Notes Providing for the Settlement of Certain Claims Against the United States Forces by Former Employees

UNITED STATES NOTE

JANUARY 19, 1960

EXCELLENCY: I have the honor to refer to paragraph 6(d) of Article XII of the Agreement under Article VI of the Treaty of Mutual Cooperation and Security between the United States of America and Japan, Regarding Facilities and Areas and the Status of United States Armed Forces in Japan, signed today. The second sentence of the said paragraph provides that "in such case the Government of the United States shall pay to the Government of Japan an amount equal to the cost of employment of the worker for a period of time to be agreed between the two Governments."

I wish to propose on behalf of the Government of the United States that the period of time mentioned above shall not exceed one year after the notification provided for in paragraph 6(b) of Article XII of the above-cited Agreement, and may be determined in the consultations under paragraph 6(c) of Article XII above on the basis of mutually agreeable criteria.

If the proposal made herein is acceptable to the Government of Japan, this Note and Your Excellency's reply to that effect shall be considered as constituting an agreement between the two Governments.

Accept, Excellency, the renewed assurances of my highest consideration.

CHRISTIAN A. HERTER
Secretary of State of the United States of America

His Excellency
NOBUSUKE KISHI,
Prime Minister of Japan.

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[9] For texts of notes, see *ibid.*, Sept. 17, 1951, p. 465.
[10] TIAS 2995.

JAPANESE REPLY

WASHINGTON, *January 19, 1960.*

EXCELLENCY: I have the honour to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows:

[text of United States note]

I have the honour to inform Your Excellency that the Government of Japan accepts the above proposal of the Government of the United States, and to confirm that your Note and this reply are considered as constituting an agreement between the two Governments.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

NOBUSUKE KISHI

His Excellency
CHRISTIAN A. HERTER,
Secretary of State
of the United States of America.

Exchange of Notes Revising References to the Security Treaty in the Mutual Defense Assistance Agreement

UNITED STATES NOTE

JANUARY 19, 1960

EXCELLENCY: I have the honor to refer to the Treaty of Mutual Cooperation and Security between the United States of America and Japan signed today. It is the understanding of the Government of the United States of America that references to the Security Treaty between the United States of America and Japan, signed at San Francisco on September 8, 1951, and to the Administrative Agreement under Article III of the Security Treaty between the United States of America and Japan, appearing in the Mutual Defense Assistance Agreement between the United States of America and Japan,[11] signed at Tokyo on March 8, 1954, shall be considered to be references to the corresponding provisions, if any, of the Treaty of Mutual Cooperation and Security and of the Agreement under Article VI of the Treaty of Mutual Cooperation and Security between the United States of America and Japan, Regarding Facilities and Areas and the Status of United States Armed Forces in Japan.

I should be appreciative if Your Excellency would confirm on behalf of your Government that this is also the understanding of the Government of Japan and that this understanding shall enter into operation on the date of the entry into force of the Treaty of Mutual Cooperation and Security.

Accept, Excellency, the renewed assurances of my highest consideration.

CHRISTIAN A. HERTER
Secretary of State of the
United States of America

His Excellency
NOBUSUKE KISHI,
Prime Minister of Japan.

[11] TIAS 2957; for text, see BULLETIN of Apr. 5, 1954, p. 520.

JAPANESE REPLY

WASHINGTON, *January 19, 1960.*

EXCELLENCY: I have the honour to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows:

[text of United States note]

I have further the honour to confirm on behalf of my Government that the foregoing is also the understanding of the Government of Japan.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

NOBUSUKE KISHI

His Excellency
CHRISTIAN A. HERTER,
Secretary of State
of the United States of America.

Exchange of Notes Re Establishment of the Security Consultative Committee

JAPANESE NOTE

WASHINGTON, *January 19, 1960.*

DEAR SECRETARY HERTER: I wish to refer to the Treaty of Mutual Cooperation and Security between Japan and the United States of America signed today. Under Article IV of the Treaty, the two Governments will consult together from time to time regarding the implementation of the Treaty, and, at the request of either Government, whenever the security of Japan or international peace and security in the Far East is threatened. The exchange of notes under Article VI of the Treaty specifies certain matters as the subjects of prior consultation with the Government of Japan.

Such consultations will be carried on between the two Governments through appropriate channels. At the same time, however, I feel that the establishment of a special committee which could as appropriate be used for these consultations between the Governments would prove very useful. This committee, which would meet whenever requested by either side, could also consider any matters underlying and related to security affairs which would serve to promote understanding between the two Governments and contribute to the strengthening of cooperative relations between the two countries in the field of security.

Under this proposal the present "Japanese-American Committee on Security" established by the Governments of the United States and Japan on August 6, 1957,[12] would be replaced by this new committee which might be called "The Security Consultative Committee". I would also recommend that the membership of this new committee be the same as the membership of the "Japanese-American Committee on Security", namely on the Japanese side, the Minister for Foreign Affairs, who will preside on the Japanese side, and the Director General of the Defense Agency, and on the United States side, the United States

[12] For background, see *ibid.*, Aug. 26, 1957, p. 350.

Ambassador to Japan, who will serve as Chairman on the United States side, and the Commander-in-Chief, Pacific, who will be the Ambassador's principal advisor on military and defense matters. The Commander, United States Forces, Japan, will serve as alternate for the Commander-in-Chief, Pacific.

I would appreciate very much your views on this matter.

Most sincerely,

NOBUSUKE KISHI

His Excellency
CHRISTIAN A. HERTER,
Secretary of State
of the United States of America.

UNITED STATES REPLY

JANUARY 19, 1960

DEAR MR. PRIME MINISTER: The receipt is acknowledged of your Note of today's date suggesting the establishment of "The Security Consultative Committee". I fully agree to your proposal and share your view that such a committee can contribute to strengthening the cooperative relations between the two countries in the field of security. I also agree to your proposal regarding the membership of this committee.

Most sincerely,

CHRISTIAN A. HERTER

His Excellency
NOBUSUKE KISHI,
Prime Minister of Japan.

U.S. Denies Change in Policy Toward Iran

Department Statement

Press release 30 dated January 22

The Department of State has categorically denied that there is any substance whatsoever to the report contained in an article appearing in the *Christian Science Monitor* on January 15. Specifically it is denied, as alleged in the article, that the United States is considering a change in policy toward Iran, which would supposedly entail encouraging opposition elements as a result of allegedly growing internal dissatisfaction with the present Government and its policies.

The United States has the closest and most cordial relations with the present Government of Iran, which, under the able leadership of the Shah, is striving effectively to maintain Iran's independence and to improve conditions within the country.

Law Day, 1960

A PROCLAMATION[1]

WHEREAS one of the greatest heritages of American citizenship is a government of law before which all men stand as equals, and the dedication of our people to freedom under law has made possible the remarkable growth and development of our society in all its aspects; and

WHEREAS respect for justice under law is vital and abiding only when its roots are grounded in our many traditions of religion, ethics, and philosophy with their common teaching concerning law as the foundation of our social order; and

WHEREAS the widest possible understanding of these basic truths will contribute to the Nation's moral and spiritual strength, and a reaffirmation of faith in the rule of law in the daily lives of all Americans will serve to demonstrate to the peoples of the world that this Nation seeks only fairness and justice in its relations with other nations; and

WHEREAS the observance of Law Day is designed to foster this deeper respect for law and an awareness of its essential place in American life, as well as to encourage the efforts now being made to bring about an extension of law as an instrument of world peace and orderly progress in all international relationships for the future benefit of mankind:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby designate Sunday, May 1, 1960, as Law Day in the United States of America.

I urge the people of the United States to observe Law Day with appropriate ceremonies as a public demonstration of their devotion to the rule of law as the keystone of peace and order in our national and international life.

I also urge the members of the legal profession to bring the objectives of Law Day to public attention in all appropriate ways, through religious and educational institutions, by private organizations and public bodies, and through the media of public information.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this 31st day of December in the year of our Lord nineteen hundred and fifty-nine, and of the Independence of the United States of America the one hundred and eighty-fourth. [SEAL]

Dwight D. Eisenhower

By the President:
DOUGLAS DILLON,
Acting Secretary of State.

[1] No. 3330; 25 *Fed. Reg.* 139.

Budget Message of the President (Excerpts)[1]

To the Congress of the United States:

With this message, transmitting the Budget of the United States for the fiscal year 1961, I invite the Congress to join with me in a determined effort to achieve a substantial surplus. This will make possible a reduction in the national debt. The proposals in this budget demonstrate that this objective can be attained while at the same time maintaining required military strength and enhancing the national welfare.

This budget attests to the strength of America's economy. At the same time, the budget is a test of our resolve, as a nation, to allocate our resources prudently, to maintain the Nation's security, and to extend economic growth into the future without inflation.

In highlight, this budget proposes:

1. Revenues of $84 billion and expenditures of $79.8 billion, leaving a surplus of $4.2 billion. This surplus should be applied to debt reduction, which I believe to be a prime element in sound fiscal policy for the Nation at this time.

2. New appropriations for the military functions of the Department of Defense amounting to $40.6 billion, and expenditures of $41 billion. These expenditures, which will be slightly higher than the 1960 level, will provide the strong and versatile defense which we require under prevailing world conditions.

3. Increased appropriations (including substantial restoration of congressional reductions in the 1960 budget), and a virtual doubling of expenditures, for nonmilitary space projects under the National Aeronautics and Space Administration. This furthers our plans to keep moving ahead vigorously and systematically with our intensive program of scientific exploration and with the development of the large boosters essential to the conquest of outer space.

4. Nearly $4.2 billion in new appropriations for mutual security programs, an increase of about $950 million above appropriations for the current year, with an increase of $100 million in expenditures. This increase in program is needed to accelerate economic and technical assistance, chiefly through the Development Loan Fund, and to strengthen free world forces, in particular the forces of the North Atlantic Treaty Organization, with advanced weapons and equipment.

5. A record total of expenditures, $1.2 billion, for water resources projects under the Corps of Engineers and the Bureau of Reclamation. In addition to funds for going work, this amount provides for the initiation of 42 new high-priority projects, which will require $38 million in new appropriations for 1961, and will cost a total of $496 million over a period of years.

6. Substantially higher expenditures in a number of categories which under present laws are relatively uncontrollable, particularly $9.6 billion for interest; $3.9 billion to help support farm prices and income; $3.8 billion for veterans compensation and pensions; and $2.4 billion in aid to State and local governments for public assistance and employment security activities. The aggregate increase in these relatively uncontrollable expenditures is more than $1 billion over 1960.

7. Research and development expenditures of $8.4 billion—well over one-half of the entire Nation's expenditures, public and private, for these purposes—in order to assure a continuing strong and modern defense and to stimulate basic research and technological progress.

[1] H. Doc. 255, 86th Cong., 2d sess., transmitted on Jan. 18. The message, with summary budget statements, is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. ($1.50).

8. Recommendations for prompt legislative action to increase taxes on highway and aviation fuels, and to raise postal rates. These measures are needed to place on the users a proper share of the rising costs of the Federal airways and postal service, and to support the highway program at an increased level.

9. Recommendations to extend for another year present corporation income and excise tax rates.

10. A constructive legislative program to achieve improvements in existing laws relating to governmental activities and to initiate needed actions to improve and safeguard the interests of our people.

In short, this budget and the proposals it makes for legislative action provide for significant advances in many aspects of national security and welfare. The budget presents a balanced program which recognizes the priorities appropriate within an aggregate of Federal expenditures that we can soundly support.

I believe that the American people have made their wishes clear: The Federal Government should conduct its financial affairs with a high sense of responsibility, vigorously meeting the Nation's needs and opportunities within its proper sphere while at the same time exercising a prudent discipline in matters of borrowing and spending, and in incurring liabilities for the future.

Budget Totals

During the present fiscal year we have made encouraging progress in achieving sound fiscal policy objectives. The deficit of $12.4 billion in fiscal 1959, which was largely caused by the recession, is expected to be followed by a surplus of $217 million in the current year. To safeguard this small surplus, I am directing all Government departments and agencies to exercise strict controls over the expenditure of Federal funds. Even so, the slender margin of surplus can be attained only if economic growth is not interrupted.

For the fiscal year 1961, I am proposing a budget surplus of $4.2 billion to be applied to debt retirement. In my judgment this is the only sound course. Unless some amounts are applied to the reduction of debt in prosperous periods, we can expect an ever larger public debt if future emergencies or recessions again produce deficits.

In times of prosperity, such as we anticipate in the coming year, sound fiscal and economic policy requires a budget surplus to help counteract inflationary pressures, to ease conditions in capital and credit markets, and to increase the supply of savings available for the productive investment so essential to continued economic growth.

The budget recommendations for 1961 lay the groundwork for a sound and flexible fiscal policy in the years ahead. A continuance of economic prosperity in 1962 and later years can be expected to bring with it further increases in Federal revenues. If expenditures are held to the levels I am proposing for 1961 and reasonable restraint is exercised in the future, higher revenues in later years will give the next administration and the next Congress the choice they should rightly have in deciding between reductions in the public debt and lightening of the tax burden, or both. Soundly conceived tax revision can then be approached on a comprehensive and orderly basis, rather than by haphazard piecemeal changes, and can be accomplished within a setting of economic and fiscal stability.

BUDGET EXPENDITURES

[Fiscal years. In millions]

Function	1959 actual	1960 estimate	1961	
			Estimate	Percent of total
Major national security	$46, 426	$45, 650	$45, 568	57. 1
International affairs and finance	3, 780	2, 066	2, 242	2. 8
Commerce and housing	3, 421	3, 002	2, 709	3. 4
Agriculture and agricultural resources	6, 529	5, 113	5, 623	7. 0
Natural resources	1, 669	1, 785	1, 938	2. 4
Labor and welfare	4, 421	4, 441	4, 569	5. 7
Veterans services and benefits	5, 174	5, 157	5, 471	6. 9
Interest	7, 671	9, 385	9, 585	12. 0
General government	1, 606	1, 711	1, 911	2. 4
Allowance for contingencies	-------	75	200	. 3
Total	80, 697	78, 383	79, 816	100. 0

Budget expenditures in 1961 are estimated at $79.8 billion, which is $1.4 billion more than the 1960 level. The total increase is attributable to (1) an increase of more than $1 billion in relatively uncontrollable expenditures for farm price supports fixed by law, interest on the public debt, veterans compensation and pensions, and public assistance grants, and (2) an increase of about

$500 million in expenditures because of commitments made in prior years for Federal housing programs, for civil public works projects and other construction, for loans under the mutual security program, and for other programs.

New activities and expansion of certain other programs have been included on a selective basis of need. These increases are offset by reductions in other existing programs, including the proposed elimination of the postal deficit.

New obligational authority recommended for the fiscal year 1961 totals $79.4 billion. This is $306 million less than the amounts already enacted and recommended for 1960, and $401 million less than estimated expenditures in 1961.

Budget receipts under existing and proposed legislation are expected to rise substantially to $84 billion in 1961. This compares with the revised estimate of $78.6 billion for 1960 and actual receipts of $68.3 billion in 1959.

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REVIEW OF MAJOR FUNCTIONS

The following sections of this message discuss the legislative and budget recommendations for 1961 in terms of the major purposes which they fulfill. The following table compares the estimated expenditures for each of the nine major functional categories with the actual figures for 1959 and the latest estimate for 1960.

The expenditure totals for 1960 and 1961 include expenditures under both existing and proposed legislation. The allowance for contingencies is intended to provide for unforeseen increases in existing programs, and for proposed new programs not separately itemized.

The figures for 1961 allocate to the separate programs for the first time the dollar equivalent of expenditures for U.S. Government programs of foreign currencies received from the sale abroad of surplus U.S. agricultural commodities under Public Law 480.

Major National Security

Our national objective remains as before—peace with justice for all peoples. Our hope is that the heavy burden of armaments on the world may be lightened.

But we should not delude ourselves. In this era of nuclear weapons and intercontinental missiles, disarmament must be safeguarded and verifiable. The problems involved in achieving reductions of armaments with safety and justice to all nations are tremendous. Yet we must face up to these problems, for the only alternative is a world living on the edge of disaster.

While seeking the true road to peace and disarmament we must remain strong. Our aim at this time is a level of military strength which, together with that of our allies, is sufficient to deter wars, large or small, while we strive to find a way to reduce the threat of war. This budget, in my judgment, does that.

Expenditures of the Department of Defense in 1961 will continue to emphasize the modernization of our Armed Forces. Military assistance for our allies under the mutual security program will also reflect the growing importance of modern weapons and missiles in the continued strengthening of the free world defense forces. The Atomic Energy Commission is continuing its weapons program on a high level and will move forward with research and development on the peaceful applications of atomic energy. Expenditures for stockpiling and for expansion of defense production will decline further, since most of the stockpile objectives have been met.

Department of Defense—Military.—New appropriations of $40,577 million are recommended for the military functions of the Department of Defense for 1961. Expenditures in 1961 are estimated at $40,995 million. These amounts exclude funds for the development of the Saturn space project which I have proposed be transferred to the National Aeronautics and Space Administration.

Strategy and tactics of the U.S. military forces are now undergoing one of the greatest transitions in history. The change of emphasis from conventional-type to missile-type warfare must be made with care, mindful that the one type of warfare cannot be safely neglected in favor of the other. Our military forces must be capable of contending successfully with any contingency which may be forced upon us, from limited emergencies to all-out nuclear general war.

Forces and military personnel strength.—The budget will provide in the fiscal year 1961 for the continued support of our forces at approximately the present level—a year-end strength of 2,489,000 men and women in the active forces. The force

MAJOR NATIONAL SECURITY

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1961
	1959 actual	1960 estimate	1961 estimate	
)epartment of Defense—Military:				
Military functions:				
Military personnel:				
Present programs	$11, 801	$11, 959	$12, 124	[1]$11,813
Proposed legislation, retirement pay	-------	-------	22	24
Operation and maintenance	10, 384	10, 137	10, 321	10, 527
Procurement	14, 410	13, 943	13, 602	13, 085
Research, development, test, and evaluation	2, 859	3, 680	3, 917	3, 910
Construction	1, 948	1, 670	1, 359	1, 188
Revolving funds	−169	−444	−350	30
Subtotal	41, 233	40, 945	40, 995	40, 577
Military assistance	2, 340	1, 800	1, 750	2, 000
tomic energy	2, 541	2, 675	2, 689	2, 666
tockpiling and expansion of defense production	312	230	134	39
Total	46, 426	45, 650	45, 568	[2] 45, 282

[1] Additional obligational authority available by transr: $350 million.

[2] Compares with new obligational authority of $45,517 illion enacted for 1959 and $44,749 million (including 25 million in anticipated supplemental appropriations) timated for 1960.

) be supported include an Army of 14 divisions nd 870,000 men; a Navy of 817 active ships and 19,000 men; a Marine Corps of 3 divisions and air wings with 175,000 men; and an Air Force f 91 combat wings and 825,000 men.

If the reserve components are to serve effectively time of war, their basic organization and obctives must conform to the changing character nd missions of the active forces. Quality and mbat readiness must take precedence over mere umbers. Under modern conditions, this is especily true of the ready reserve. I have requested e Secretary of Defense to reexamine the roles nd missions of the reserve components in relation those of the active forces and in the light of e changing requirements of modern warfare.

Last year the Congress discontinued its previsly imposed minimum personnel strength limitions on the Army Reserve. Similar restrictions the strength of the Army National Guard coned in the 1960 Department of Defense Appropriation Act should likewise be dropped. I strongly recommend to the Congress the avoidance of mandatory floors on the size of the reserve components so that we may have the flexibility to make adjustments in keeping with military necessity.

I again propose a reduction in the Army National Guard and Army Reserve—from their present strengths of 400,000 and 300,000, respectively, to 360,000 and 270,000 by the end of the fiscal year 1961. These strengths are considered adequate to meet the essential roles and missions of the reserves in support of our national security objectives.

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Strategic forces.—The deterrent power of our Armed Forces comes from both their nuclear retaliatory capability and their capability to conduct other essential operations in any form of war. The first capability is represented by a combination of manned bombers, carrier-based aircraft, and intercontinental and intermediate range missiles. The second capability is represented by our deployed ground, naval, and air forces in essential forward areas, together with ready reserves capable of effecting early emergency reinforcement.

The Strategic Air Command is the principal element of our long-range nuclear capability. One of the important and difficult decisions which had to be made in this budget concerned the role of the B–70, a long-range supersonic bomber. This aircraft, which was planned for initial operational use about 1965, would be complementary to but likewise competitive with the four strategic ballistic missile systems, all of which are scheduled to become available earlier. The first Atlas ICBM's are now operational, the first two Polaris submarines are expected to be operational this calendar year, and the first Titan ICBM's next year. The Minuteman solid-fueled ICBM is planned to be operational about mid-1963. By 1965, several or all of these systems will have been fully tested and their reliability established.

Thus, the need for the B–70 as a strategic weapon system is doubtful. However, I am recommending that development work on the B–70 airframe and engines be continued. It is expected that in 1963 two prototype aircraft will be available for flight testing. By that time we should be in a much better position to determine the value of that aircraft as a weapon system.

I am recommending additional acquisitions of the improved version of the B–52 (the B–52H with the new turbofan engine) and procurement of the B–58 supersonic medium bomber, together with the supporting refueling tankers in each case. These additional modern bombers will replace some of the older B–47 medium bombers; one B–52 can do the work of several B–47's which it will replace. Funds are also included in this budget to continue the equipping of the B–52 wings with the Hound Dog air-to-surface missile.

In the coming fiscal year additional quantities of Atlas, Titan, and Polaris missiles also will be procured. I am recommending funds for 3 additional Polaris submarines to be started in the coming fiscal year and for the advance procurement of long leadtime components on 3 more—making a total of 15 Polaris submarines and the appropriate number of missiles. Funds to continue the development and to initiate production of the first operational quantities of the Minuteman are also included in this budget.

Thus, four strategic ballistic missile systems will be in development and production during the coming fiscal year. These, together with the manned bomber force, the carrier-based aircraft, the intermediate range ballistic missiles, and the tactical aircraft deployed abroad, ensure our continued capability to retaliate effectively in the event of an attack upon ourselves or our allies.

In order to ensure, insofar as practicable, the safety and readiness of these forces, we have substantially completed the dispersal of Strategic Air Command aircraft and the construction of alert facilities. These measures will permit a large portion of all our manned bombers and supporting tankers to get off the ground within 15 minutes after receiving warning of an attack.

I have also authorized the Department of Defense to begin to acquire a standby airborne alert capability for the heavy bombers. This will entail the procurement of extra engines and spare parts, and the training of the heavy bomber wings with the ability to conduct an airborne alert. It is neither necessary nor practical to fly a continuous airborne alert at this time. Such a procedure would, over a relatively short period of time, seriously degrade our overall capability to respond to attack. What I am recommending is a capability to fly such an alert if the need should arise and to maintain that alert for a reasonable period of time until the situation which necessitated it becomes clarified.

Attention is also being given to the safety and readiness of our land-based strategic missile forces. Except for the first several squadrons, strategic missiles will be dispersed in hardened underground sites. Measures are also being taken to shorten the reaction time of liquid-fueled missiles. The Minuteman, because it will be solid fueled, will have a quick reaction time and will lend itself to mobile use. The solid-fueled Polaris to be carried in submarines at sea is by its very nature highly invulnerable.

Air defense forces.—Much progress has been made in increasing the effectiveness of the North American Air Defense Command organized in 1957 as an integrated command of the United States and Canadian forces. The U.S. military elements—consisting of parts of all of our armed services—are integrated with Canada's Air Defence Command for maintaining an air defense capability for the entire North American Continent.

While we pay increasing attention to the growing threat of a potential enemy's ballistic missiles we should not lose sight of the fact that for the time being the manned bomber is the major threat. Although some $17 billion has already been invested in defense systems against manned bombers, excluding the cost of personnel and operation and maintenance, certain segments have yet to be completed. These were described in the Department of Defense air defense plan presented to the Congress last year. The funds recommended in this budget will substantially complete the programs outlined in that plan. Specifically the last major elements of the Nike-Hercules surface-to-air missile program will be financed in 1961 and the Bomarc interceptor missile program will approach completion. The related radar warning, electronic control, and communication systems will also be further equipped and modernized.

In response to the increasing missile threat, we are pressing to completion a new system for the detection of ballistic missile attack—the ballistic missile early warning system. Construction has been under way for the last two years and the first segment is expected to be in operation in about a year.

To provide for an active defense against ballistic missile attack, I am recommending the con

tinued development of the Nike-Zeus system, but it will not be placed in production during the coming fiscal year during which further testing will be carried out.

The Nike-Zeus system is one of the most difficult undertakings ever attempted by this country. The technical problems involved in detecting, tracking, and computing the course of the incoming ballistic missile and in guiding the intercepting Zeus missile to its target—all within a few minutes—are indeed enormous.

Much thought and study have been given to all of these factors and it is the consensus of my technical and military advisers that the system should be carefully tested before production is begun and facilities are constructed for its deployment. Accordingly, I am recommending sufficient funds in this budget to provide for the essential phases of such testing. Pending the results of such testing, the $137 million appropriated last year by the Congress for initial production steps for the Nike-Zeus system will not be used.

Sea control forces.—Control of sea and ocean areas and sea lanes of communication is an integral element in the maintenance of our national security. The naval forces which carry the primary responsibility for this mission will consist of 817 combatant and support ships, 16 attack carrier air groups, 11 antisubmarine air groups, and 41 patrol and warning air squadrons.

From new construction and conversion programs started in prior years, the Navy will receive during fiscal year 1961 an unusually large number of modern ships. These will include the fifth and sixth *Forrestal*-class attack carriers, the first nuclear-powered cruiser, nine guided missile destroyers, seven guided missile frigates, and six nuclear-powered submarines. Three more Polaris ballistic missile submarines and a converted guided missile cruiser will also be commissioned.

For the coming fiscal year I am recommending the construction of 20 new ships and conversions or modernizations of 15 others. Included among the new ships is an attack carrier. It is planned to construct this carrier with a conventional rather than a nuclear powerplant.

While it is generally agreed that a nuclear-powered attack carrier has certain military advantages, such as extended range and endurance at high sustained speeds, these advantages are not overriding as in the case of a submarine. In a submarine, nuclear power provides the critical advantage of almost unlimited operation, submerged at high speeds. This enables nuclear-powered submarines to carry out missions which no conventionally powered submarine, no matter how modern, could accomplish.

The advantages of nuclear power with respect to the carrier, however, are not comparable. The primary requirement in a carrier is up-to-date facilities to operate, safely and effectively, the most modern naval aircraft. Use of a conventional powerplant will in no way prevent a carrier from functioning as a completely modern and mobile base for fleet aircraft for its foreseeable life. The additional $130 million which a nuclear-powered carrier would cost can be used to much greater advantage for other purposes. I therefore strongly urge the Congress to support this request for a conventionally powered aircraft carrier.

Tactical forces.—Elements of the ground, naval, and air forces comprise the tactical forces which are available to deal with cold war emergencies and limited war situations, in addition to performing essential tasks in the event of general war. Recommendations made in this budget provide funds for modernization and improvement in the effectiveness of our tactical forces.

Increased emphasis has been given in this budget to improving the mobility and firepower of the 14 Army divisions and other active combat elements of the Army and the 3 Marine Corps divisions. Additional quantities of new rifles and machineguns employing the standard NATO ammunition will be procured, as will combat and tactical vehicles of all kinds, including the new M60 tank, the M113 armored personnel carrier, self-propelled howitzers, trucks and jeeps. In recognition of the value of artillery in both nuclear and nonnuclear warfare, an entire new family of self-propelled artillery is introduced with this budget. This new artillery is lighter, more mobile, and, utilizing new ammunition, will have greater range than that of types currently available.

The Army and Marine Corps will also buy a wide variety of guided missiles and rockets such as: Sergeant, Honest John, Little John, and Lacrosse for medium and close range ground fire support; Davy Crockett for an integral infantry-unit close-range atomic support weapon; and Hawk and Redeye for defense of field forces against air attack. Army aircraft procurement

proposed for 1961 is more than 35 percent higher than for the current year, and includes funds for surveillance aircraft and for utility and medium cargo helicopters.

The tactical forces of the Army are supported by the tactical air wings of the Air Force which will also be provided with an increased capability under these budget recommendations. Funds are provided for increased procurement of F–105 supersonic all-weather fighter bombers. These aircraft, with their low-altitude handling characteristics and large carrying capacities for both nuclear and nonnuclear weapons, will strengthen significantly the air support available to the Army ground units.

The three Marine divisions are tactically supported by three Marine aircraft wings, which will also receive quantities of new aircraft.

Military assistance.—The ability of the free world to deter aggression depends on the combined strength and determination of many countries. The total forces of the countries receiving aid under the military assistance program include about 5 million Army troops, 2,200 combatant ships, and over 25,000 aircraft, about half of which are jet. These forces make a vital contribution to the security of the free world, including the United States.

A committee of distinguished private citizens, the President's Committee to Study the United States Military Assistance Program, conducted an extensive and comprehensive analysis of the mutual security program during the last year. I have previously transmitted the reports of the Committee to the Congress.[2] Many of the significant findings and recommendations of this group have been put into effect by the executive agencies; others are in the process of implementation. The military assistance program has been budgeted in 1961 with other activities and programs of the Department of Defense, and major changes are being made in the management, organization, and programing of military assistance.

Last spring I mentioned the possibility of requesting a supplemental appropriation as suggested by the Committee largely to expedite modernization of NATO forces. However, in view of the time factor involved in securing a separate authorization and appropriation for 1960, a supplemental request this year is not practical.

The new obligational authority of $2 billion recommended for fiscal year 1961 for the military assistance program will provide the training and quantities of materiel required to support the forces in the countries receiving aid. Because of the long leadtime required for many items, procurement must be started in 1961 in order to provide the necessary deliveries in future years. During recent years, deliveries have been maintained only by drawing down the backlog of undelivered items by an amount ranging from $500 to $800 million per year. The backlog has now been reduced to the point where adequate deliveries in the future must depend on new appropriations.

The defense of Western Europe in this era of modern weapons is costly and must be accomplished through the combined efforts of all NATO countries. Many of these countries have now assumed the financial responsibility for producing or purchasing conventional arms and equipment which the United States previously supplied. At the same time, the 1961 military assistance program squarely faces the pressing need for new and costly weapons for which the free world still looks for help from the United States. In addition, it provides for an intensified training effort to assure effective use and maintenance of the new equipment by allied forces.

This budget also provides for military assistance to countries which are building defenses against aggression and subversion in other parts of the world. These countries border on aggressive regimes, or are confronted with strong internal subversive elements. Many of them have joined in mutual defense organizations such as the Southeast Asia Treaty Organization (SEATO) and the Central Treaty Organization (CENTO), or with the United States in bilateral defense agreements. Assistance to these countries, most of which are in the Near East and the Far East emphasizes primarily the strengthening of conventional forces in keeping with the nature of the threat in each area.

[2] The Composite Report of the President's Committee To Study the United States Military Assistance Program is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. The price for vol. I is 60 cents, for vol. II (Annexes) $1.

Atomic energy activities.—In 1961 the expenditures for the Atomic Energy Commission are expected to remain at the 1960 level of about $2.7 billion. Substantial increases for research and development activities will be offset by reductions in procurement of uranium ore concentrates from United States and Canadian producers. These reductions will bring ore supplies into better balance with production requirements.

Development and production of nuclear weapons in 1961 will remain at the high levels of previous years. The vigorous development of military reactors for a variety of propulsion and power uses will continue. When the land-based prototype reactor for a destroyer is placed into operation in 1961 along with four other naval prototype reactors now operating, nuclear powerplants will be available for major types of naval combatant ships. Emphasis in naval reactor development in 1961 will be placed primarily on development of improved and longer lived reactor fuel. The development of nuclear ramjet engines for missiles, of nuclear aircraft engines, and of nuclear electric powerplants for use at remote military bases will be carried forward.

Peaceful uses of atomic energy.—Expenditures in 1961 for development of civilian electric power from atomic energy are estimated at $250 million. Of this amount, $185 million is for research and development and $65 million is for construction of civilian power reactors and related development facilities. The estimated expenditures include amounts from proposed new appropriations of $40 million for assistance to private and public power groups in developing and building demonstration nuclear powerplants, and alternatively for such direct Government construction as may be considered necessary. The number, type, and size of reactors built and the nature of the assistance provided will be determined by the Commission after considering the state of technology and the cooperation proposed by industry.

Expenditures by the Commission for research in the physical and life sciences in 1961 will again increase substantially to over $210 million. This level of research will help the United States to continue its leadership in the study of the behavior of the basic matter of the universe and the effects of radiation on man and his environment. The largest part of the increase will be used to place in operation in the next 18 months three new particle accelerators in the multibillion electron-volt energy range, including the alternating gradient synchrotron at Brookhaven National Laboratory.

In support of the civilian space program, the Atomic Energy Commission will continue development of nuclear-powered rockets and small, long-lived nuclear power sources for space vehicles. Development work on thermonuclear power and on applications of nuclear explosives to a variety of civilian uses will continue in 1961.

Stockpiling and defense production expansion.—Most of the objectives for the stockpile of strategic and critical materials have been met. Receipts of materials under contracts to promote expansion of defense production are continuing at a reduced rate, as the number of such contracts still in effect declines. Hence, expenditures for stockpiling and expansion of defense production are estimated to decline from $230 million in 1960 to $134 million in 1961.

Amendments to outstanding contracts are now being negotiated where practicable, so as to minimize the delivery of materials no longer required for stockpiling. Arrangements are also under way to dispose of materials excess to stockpile objectives whenever disposal will not seriously disrupt markets or adversely affect our international relations.

International Affairs and Finance

The United States is continuing to support programs to maintain world peace and to improve economic conditions throughout the free world. In helping to improve economic conditions, we are being joined in larger measure by our friends in the free world who have now reached a high level of prosperity after recovering from the ravages of war. Accordingly, multilateral programs are being expanded. At the same time, the pressing need for economic development requires the continuation of substantial economic assistance under the mutual security program.

Expenditures for international affairs and finance are estimated to be $2.2 billion in the fiscal year 1961. This amount is $177 million higher than estimated expenditures for 1960, mainly because of larger disbursements by the Development Loan Fund under prior commitments.

INTERNATIONAL AFFAIRS AND FINANCE

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1961
	1959 actual	1960 estimate	1961 estimate	
Economic and technical development:				
Mutual security—economic:				
Development Loan Fund	$66	$175	$300	$700
Technical cooperation	169	170	175	206
Defense support	881	740	730	724
Special assistance	257	250	255	268
Other	120	105	110	101
Contingencies	30	110	130	175
Subtotal, mutual security—economic	1, 524	1, 550	1, 700	2, 175
International Monetary Fund subscription	1, 375	-------	-------	-------
Inter-American Development Bank	-------	80	-------	-------
Export-Import Bank	390	−56	−7	-------
Emergency relief abroad and other	113	140	131	116
Conduct of foreign affairs:				
Administration of foreign affairs	211	205	197	205
Philippine claims:				
Present program	24	-------	-------	-------
Proposed legislation	-------	-------	49	49
Other	2	5	3	2
Foreign information and exchange activities:				
United States Information Agency	109	110	124	124
Department of State, exchange of persons	22	24	36	36
President's special international program	8	7	8	9
Total	3, 780	2, 066	2, 242	[1] 2, 715

[1] Compares with new obligational authority of $6,982 million enacted for 1959 and $2,697 million (including $49 million of anticipated supplemental appropriations) estimated for 1960. The 1959 authorization included $3,175 million for the International Bank for Reconstruction and Development and $1,375 million for the International Monetary Fund.

Mutual security program.—Through the mutual security program as a whole the United States helps promote stability and economic growth in less-developed countries and helps strengthen the defenses of the free world. For these purposes new obligational authority of $4,175 million is recommended in fiscal year 1961, an increase of $949 million over the amount enacted for 1960 (of which $700 million is for military assistance). Expenditures are estimated to be $3,450 million, an increase of $100 million over 1960.

The military assistance portion of this program is carried in the Department of Defense chapter and has been discussed in the major national security section of this message. Economic assistance is discussed in the following paragraphs in this section.

Development Loan Fund.—The Development Loan Fund was established in 1957 in order to provide capital to less-developed countries, when capital is not available from other sources. The capital is provided on favorable terms, often including the option to repay in the borrower's own currency. By the end of the fiscal year 1960, the Fund will have made commitments for an estimated 148 loans totaling some $1,400 million. More than three-fourths of the projects it is financing are for roads, railroads, electric power generation, and industry, including industrial development banks. Because many of these projects require several years for construction, expenditures have thus far been relatively small. However, in the fiscal year 1961 they are estimated to be $300 million, an increase of $125 million over 1960. New obligational authority of $700 million is requested for 1961, an increase of $150 million over the amount enacted for 1960. This will provide the loan funds essential to our foreign policy objective of assisting in the economic growth of the less-developed countries of the free world.

Technical cooperation.—Technical and administrative skills are no less important for the newly developing countries than capital. Through the technical cooperation program, American experts are sent abroad to transmit the skills required in a modern economy and foreign technicians are brought to the United States for training.

For the fiscal year 1961, new obligational authority of $206 million is requested, which is $25 million over the amount enacted for 1960, in order to permit an increase in the bilateral programs. It will also permit a higher contribution to the United Nations technical assistance program and the related special fund; as other governments increase their contributions for the United Nations programs, the United States contribution, which is two-fifths of the total, also increases.

Defense support.—Many of the less-developed countries participating in the common defense maintain large military forces whose cost imposes a severe strain upon their limited economic resources. In order to help maintain political and economic stability and to prevent the cost of necessary defensive forces from unduly hindering economic development, the United States provides economic aid principally by supplying commodities for consumption and raw materials and machinery for industrial production. For the fiscal year 1961, new obligational authority of $724 million is requested, an increase of $29 million over the amount enacted for 1960.

Special assistance.—New obligational authority of $268 million is requested for economic assistance to promote economic and political stability in various countries of the free world where the United States is not supporting military forces, and for certain other special programs. In several instances, this assistance indirectly relates to military bases maintained by the United States.

The appropriation recommended for special assistance in 1961 is $23 million above the amount enacted for 1960. Additional programs are proposed to help improve conditions in Africa, largely for education, public health, and administration.

Increased funds will also be devoted to certain worldwide health programs in conjunction with the World Health Organization of the United Nations. The largest of these is the malaria eradication program, now in its fourth year. In addition numerous public health projects are supported through technical cooperation.

Other mutual security programs.—Other programs include assistance to refugees and escapees; grants of atomic research equipment, including reactors, to the less-developed countries for training and research in nuclear physics; support of the NATO science program; and the United States contribution to the United Nations Children's Fund. For the fiscal year 1961, new obligational authority of $101 million is requested, an increase of $1 million above the amounts enacted for 1960.

Contingencies.—Experience has shown that economic and military assistance is also required in some international situations which cannot be foreseen or for which it is not possible to estimate in advance the specific amount needed. To cover situations of this type, new obligational authority of $175 million is requested.

MUTUAL SECURITY PROGRAM

[Fiscal years. In millions]

Program	Budget expenditures			Recommended new obligational authority for 1961
	1959 actual	1960 estimate	1961 estimate	
Military assistance	$2, 340	$1, 800	$1, 750	$2, 000
Economic (including technical) assistance	1, 524	1, 550	1, 700	2, 175
Total, mutual security	3, 864	3, 350	3, 450	[1] 4, 175

[1] Compares with new obligational authority of $3,448 million enacted for 1959 ($1,515 million military, $1,933 million economic) and $3,226 million enacted for 1960 ($1,300 million military, $1,926 million economic).

Other economic and technical development.—More resources from countries of the free world are being channeled into economic development by increasing the capital funds of international organizations. In the past year the capital of the International Bank for Reconstruction and Development was doubled and that of the International Monetary Fund increased by half.

The Inter-American Development Bank, with planned total resources of $1 billion, including $450 million from the United States, is expected to begin operations before the close of this fiscal year. Expenditures of $80 million are estimated in the fiscal year 1960 as the first installment of the U.S. cash investment in the Bank. In addition, guarantee authority of $200 million will be made available, on the basis of which the Bank can sell its bonds to private investors.

Last October the Governors of the International Bank for Reconstruction and Development unanimously approved in principle a U.S. proposal for an International Development Association, which will be closely affiliated with the Bank. Under this proposal, the Association will make loans on more flexible terms than the Bank is able to offer under its charter, such as loans repayable in the currency of the borrowing country. In addition, it is expected that the charter of the Association will contain provisions under which a member could provide to the Association, for use in lending operations, other member country currencies which it holds. The draft charter of

the Association is being prepared and will probably be submitted to the member governments early this year. Legislation authorizing U.S. participation and making financial provision for membership will be transmitted to the Congress at the appropriate time.

Private investment.—The United States is trying to encourage more reliance on private enterprise in foreign economic development. During the past year, the Department of State and the Business Advisory Council of the Department of Commerce have both completed special studies on ways to increase the role of private investment and management abroad. Tax treaties, with investment incentive clauses, are now being negotiated with many countries. More trade missions are being sent abroad. Several of the less-developed countries are opening business information offices in this country. As a result of these various activities, more private investment in the less-developed areas should be forthcoming. To provide an additional incentive, U.S. taxation of income earned in the less-developed areas only should be deferred until repatriated.

Export-Import Bank.—The oldest Federal agency specializing in foreign lending and the largest in terms of foreign loan volume is the Export-Import Bank. In the fiscal year 1961 the Bank plans to devote an increasing share of its program to transactions which support economic development abroad. At the same time the Bank plans to finance its operations without requiring net budgetary expenditures by encouraging more participation by private lenders in its loan program and by using funds obtained from repayments on its large outstanding portfolio.

Eligibility for assistance.—Amendments to the Battle Act to revise the eligibility requirements for assistance to certain countries are pending before the Congress. It is highly desirable that they be enacted.

Conduct of foreign affairs.—The Department of State is making plans to strengthen further the administration of foreign affairs in the fiscal year 1961. The disarmament staff is being expanded in preparation for discussions on disarmament soon to begin in Geneva and for the continuation of the negotiations on the suspension of nuclear tests. Language training programs will also be expanded. New diplomatic and consular posts will be opened in Africa, Latin America, South Asia, and Eastern Europe. For these and other activities, new obligational authority of $205 million is requested for the fiscal year 1961.

Legislation is recommended to remove certain reservations on acceptance by the United States of jurisdiction of the International Court of Justice (the World Court).

Legislation will be requested for payment in the fiscal year 1961 of certain war damage claims of the Philippine Government against the United States in the amount of $73 million. These claims will be partially offset by an amount, now estimated at approximately $24 million, owed to the United States by the Philippine Government. Pending legislation should be enacted in fiscal year 1960 to authorize compensation of $6 million to displaced residents of the Bonin Islands.

Foreign information and exchange activities.—New obligational authority totaling $168 million is requested for foreign information and exchange activities in the fiscal year 1961. The United States Information Agency plans to expand its programs in Africa and Latin America, including construction of a new Voice of America transmitter in Africa. The Agency will make greater use of the growing number of television facilities overseas. The expansion of domestic radio transmitting facilities, begun last year in order to improve oversea reception, will continue. Exchanges of key persons with about 80 other countries will be increased, with special emphasis on leaders and teachers.

. . . . .

The plans presented in this budget meet the Nation's immediate needs and will support continuing sound economic growth in the future. The achievement of these plans, however, will in the last analysis depend on the people themselves.

I believe our people have the determination to hold expenditures in check, to pay their own way without borrowing from their children, to choose wisely among priorities, and to match sound public policy with private initiative. It is that determination which is the key to continued progress and sound growth with security. It is that determination which reinforces the recommendations I have made.

DWIGHT D. EISENHOWER.

JANUARY 18, 1960.

Importance of the Space Program in International Relations

Statement by Under Secretary Merchant[1]

I am appearing before your committee this morning in place of the Secretary of State, who regrets as much as I do that it was impossible for him to be with the committee today. I will be followed by a distinguished group of witnesses including Mr. Allen Dulles, Mr. George Allen, Dr. Keith Glennan, and Secretary of Defense [Thomas S.] Gates [Jr.]. Most of the questions which I imagine this committee is most interested in will, I am sure, be answered by the testimony of those who follow me. I am equally sure that the committee understands that the Department of State, interested as it is in the exploration and use of outer space, has no technical competence or operational responsibility in this field. The Department's interest is substantially concerned with how our position in this field bears on our relations with other countries.

The exploration and use of outer space have introduced a new element into the complex of factors governing relations among nations. What we do in this new field and the manner in which we do it have both actual and symbolic significance.

Although the practical potentialities of outer-space activities cannot now be fully foreseen, outer space clearly represents a field from which man may derive substantial benefits, into which man may strive to extend his power and influence, and about which conflicts may arise. All nations have an interest in the opportunities and problems thus presented.

Besides this fact, the achievements of a nation in outer space may be construed by other nations as dramatically symbolizing national capabilities and effectiveness. The challenge to the imagination has been great. Equally great have been the skills and resources needed to respond to this challenge. Consequently achievements in outer space have been both startling and impressive.

The connotations of those achievements are inescapable. The sending of a manmade object into orbit around the earth or beyond the claim of the earth's gravity requires a very high order of scientific knowledge and skill supported by extensive technological and industrial capabilities. Furthermore, a flight into outer space which itself has no direct military importance may have military implications since the performance of space vehicles is indicative of missile capabilities in thrust and, to an extent, guidance.

Achievements of Soviet Union

By being first to achieve success in space flight, the Soviet Union has reaped great prestige. Continuing achievements have made this gain an enduring one. It has become apparent to all that the Soviet Union is capable, where it chooses to concentrate its efforts, of pioneering work in advanced and difficult fields of science and technology. It has been demonstrated that the Soviet Union is not limited to following and imitating the achievements of Western science and technology.

Although this new and justified view of Soviet capabilities is greatly to the credit of the Soviet Union, Soviet spokesmen would like the world to draw even more far-reaching conclusions. The Soviet Union would clearly like the world to conclude from its successful satellites and lunar probes that the Soviet Union has drawn abreast and even ahead of the United States in all of the broadly related fields which contribute to or derive ad-

[1] Made before the House Committee on Science and Astronautics on Jan. 20 (press release 27).

vantage from such accomplishments. Further, the Soviet argument runs that these successes portray overall capabilities, including military strength, and therefore that the Soviets ride the wave of the future.

The spectacular character of Soviet achievements has undeniably overshadowed the accomplishments of the United States, and it would be dangerous to regard as insignificant the effects of Soviet claims based on its achievements.

Broad Basis of U.S. Space Program

It is not within the competence of the State Department to attempt to compare the United States and the Soviet space programs. I believe, however, that later witnesses appearing before your committee will show that, while the United States is behind the Soviet Union in total outer-space achievements, a balanced appraisal indicates substantial and significant achievements on our own part. I also believe that these witnesses will testify that our program of space science and its practical applications appears to be sounder and broader than that of the Soviet Union.

Furthermore, what we have done and are continually doing in the many fields of modern science and technology, in addition to outer space, makes absurd any contention that scientific and technological leadership on any broad front has passed to the Soviet Union.

Finally, insofar as military aspects are concerned, I think I should properly leave this aspect to be dealt with by later witnesses.

My purpose is to place in perspective the fact that, in response both to Soviet outer-space achievements and to relentless Soviet propaganda exploitation of them, the world image of the general standing of the Soviet Union has been enhanced. This is not to say that we have lost the confidence of our friends in our strength or our scientific and technological capability. There is no doubt, however, that our friends are watching our own future progress and achievements in this field.

Working Through the United Nations

I have dealt extensively with the symbolic significance of outer-space achievements because I believe we must all recognize these facts of life in the early space age. It is equally important, however, to examine the actual opportunities and problems arising from outer-space activities, and I wish now to turn to certain objectives and characteristics of the United States outer-space program which I believe have been recognized abroad and which we ourselves should fully appreciate. These matters relate in particular to the manner in which the United States as a free society and a willing member of the international community has gone about its outer-space effort, and to the relationship between our approach and the substance of our program.

In contrast with the Soviet Union, the United States has taken an active lead in seeking international cooperation and consultation regarding the new opportunities and problems which are arising. Our approach has recognized two aspects of these matters. The first is that of consulting and cooperating in an effort to find means of assuring the use of outer space for peaceful purposes only. The second is that of consulting and cooperating in the conduct of outer-space activities and in the establishment internationally of an orderly basis for their accomplishment.

With respect to the first of these matters our approach has been consistent. Even before the launching of the first earth satellite, the President invited the Soviet Government to join in an effort to find ways to assure that outer space be used for peaceful purposes only.[2] Ambassador Lodge has reiterated this proposal on appropriate occasions in the United Nations. The United States has thus made clear its desire, either as a part of or separately from the more inclusive efforts to establish control of armaments, to study and explore together with the Soviet Union and other nations what might be done to accomplish this objective.

Meanwhile we have sought to proceed with more immediately attainable consultative and cooperative activities related to peaceful uses themselves. In doing so, we have recognized that outer space, by its very nature, is not the concern of one nation or of only a few. It is of interest to all.

Accordingly, as one indispensable measure to foster international consultation and cooperation, we have taken the lead in United Nations activities related to outer space. In the Thirteenth General Assembly, with the support of a number of other countries, we succeeded in having established a

[2] BULLETIN of Sept. 16, 1957, p. 455.

United Nations *Ad Hoc* Committee on the Peaceful Uses of Outer Space.[3] This committee was requested by the General Assembly to study and report on appropriate areas of cooperation, the nature of emerging legal problems, and future organizational arrangements to facilitate cooperation.

The Soviet Union and certain other countries refused to participate in the pioneering work of this committee. Nevertheless, a constructive study was carried out and reported to the Fourteenth General Assembly in the fall of 1959.[4] This study has provided an informed basis on which the General Assembly can better approach the new matters with which it will have to deal. The Department wishes to express its thanks to the members of the Congress who served as advisers to the United States delegation to the *Ad Hoc* Committee of the United Nations. We regard the *Ad Hoc* Committee's meetings as highly productive.

Following submission of this initial study to the General Assembly, we again actively sought the continuance of United Nations efforts and succeeded in reaching unanimous agreement among members of the General Assembly on establishment of a committee to examine practical measures to follow up the initial study and, in particular, to work out proposals for convening an international scientific conference for the exchange of experience in the peaceful uses of outer space.[5] The Soviet Union agreed to take part in the work of this new committee and, indeed, proposed the international conference to which the committee will first turn its attention. I believe the ability of the United States and the Soviet Union to reach agreement in these matters is of the utmost importance.

We are now engaged in working out specific proposals and plans for the international conference and for other promising activities of the new committee. We believe strongly that the proposed conference will serve as a valuable meeting ground for people engaged in outer-space activities or interested in the results of these activities. It would usefully supplement exchanges thus far carried out in the international scientific community and would, we believe, be broader in its scope than the normal exchanges through purely scientific channels. We have welcomed as a hopeful sign the Soviet Union's willingness now to share its experience and to participate in future activities.

In addition to these efforts to insure that the United Nations is appropriately organized to consider the problems and opportunities of the space age and is fully informed about them, one other aspect of our work within the framework of the United Nations is particularly significant. The allocation of radio frequencies represents the first practical problem of a regulatory character which confronts us in the outer-space field and constitutes an important component in providing internationally a basis for the orderly accomplishment of outer-space activities. Meeting during the fall of 1959 with over 80 other countries in the International Administrative Radio Conference of the International Telecommunication Union, the United States called attention to the need for reserving radio frequencies for space communications and radio astronomical research. Although the Conference accorded some recognition to this problem and made minimal provision for frequencies for these services, the results of the Conference can be regarded as only a first step toward resolution of a problem which will become increasingly pressing in the future and toward the general goal of adopting useful regulatory measures.

Three Operational Characteristics of U.S. Program

In the conduct of our own space program, moreover, we have also carried out in practice the principles of consultation and cooperation which we have supported in the United Nations. In doing so, we have been assisted by three "operational" characteristics of the United States program.

First, the United States program, by its nature and by virtue of our geographic position, requires a worldwide system of ground support facilities. A worldwide tracking and communications network plainly depends upon the participation of other nations and opens the way to direct cooperation. The number of countries involved in such cooperation, in various degrees, is now approaching perhaps 20.

Second, our national tradition of "openness" has provided the basis for free and prompt dissemination of the results of our scientific activities—a matter in which we have been more consistent and conscientious than the Soviet Union—and also for bringing scientists of other countries actively into the planning and conduct of scientific

[3] *Ibid.*, Jan. 5, 1959, p. 24.
[4] U.N. doc. A/4141.
[5] BULLETIN of Jan. 11, 1960, p. 64.

experiments. We have, for example, explored possible cooperative programs with the British and look forward to completing an agreement to this end. We are undertaking similar discussions with Japan and with certain other countries. In recognition of the fact that the interests of NATO [North Atlantic Treaty Organization] go beyond defense matters, we have offered through the NATO Science Committee to incorporate in future satellites scientific experiments which may be proposed by scientists of NATO countries.

Of particular importance is the support which we have given to nongovernmental scientific organizations which are active in the field of outer space and which, indeed, represent the traditional channel for scientific cooperation. The Committee on Space Research of the International Council of Scientific Unions is prominent in this regard. We have offered to place in orbit individual experiments or a complete scientific payload recommended by COSPAR.

The openness of our outer-space program thus enables us to make possible mutally beneficial participation in outer-space activities and to benefit from results achieved by scientists of countries which are not themselves actively launching earth satellites and space probes. It has the further advantage of widely informing the international scientific community of our own progress and achievements in the field of outer space. Although security considerations may affect some aspects of outer-space programs, I believe that openness should continue to be a keynote of the United States effort.

A third characteristic of our effort has been our natural interest in the development of what may be called service or utilitarian applications of space vehicles. I refer to such information gathering and transmitting satellites as those for communications, meteorology, and navigation. The benefits of such satellites, when they become practical, will be widespread and should be widely shared. Such activities may, of course, add to the strength of our military position as well as contribute usefully to civilian activities. Furthermore, we should not overlook the possible usefulness of service satellites in contributing to the stability of international relationships and to maintaining the peace by providing information which will, for example, serve to discourage attempts at surprise attack. Closely related is the potential use of service satellites in enforcing international arms-control agreements.

Fundamental Differences in Approach

I mention these characteristics of our outer-space effort because they promise to be of growing significance in facilitating the role of the United States in those international consultative and cooperative activities which give substance and meaning to outer space insofar as other countries are concerned and which, in turn, form a valuable support of our own effort. I have mentioned them also because they represent fundamental differences in the approach of the United States and the Soviet Union. These differences have not gone unrecognized by other countries, and our cooperative and consultative efforts have gained increasing recognition abroad. We feel that these efforts have strengthened our own position in an area where, by virtue of our free society, we enjoy greater flexibility than the Soviet Union.

The performance of the United States and the Soviet Union in outer space will inevitably be compared by the rest of the world, and I wish to leave no doubt in the committee's mind that the Department of State fully supports a strong and vigorous outer-space effort. As much as developments in any other area, the events in outer space of the past 2 years have made it clear to all that the Soviet threat is neither purely political nor short-term. The Soviet accomplishments in this field are witness to strong scientific, technical, and industrial capabilities, organizational effectiveness in concentrated effort, and they reflect growing military strength. These are sobering facts. But the danger to ourselves would come not from recognition of these facts but from refusal to recognize them.

The international power position of the United States by no means rests on activities in the field of outer space alone. These have, however, because of their dramatic impact, assumed a special significance. We are responding in the tradition of a free society. I am sure that by maintaining a broadly based, imaginative scientific and technological effort in the exploration and use of outer space we shall find proof of the capabilities and effectiveness of our free society.

If I may at this point summarize my testimony, I would first note that all nations on this globe have an interest in the opportunities and prob

lems with which outer space and its ultimate exploration so dramatically confront us. The Soviet Union, first to achieve a spectacular success in space flight, has gained thereby great prestige. The prospect is that this lead will not be easily overcome. As one would expect, Soviet propaganda has with some success capitalized on the technological achievements of the Soviet Union by attempting to present an image of preeminent achievement not merely in science and technology but across the board, including military power.

It would be wrong and dangerous to discount either the achievement or the impact of that achievement on the minds of peoples all over this world.

What I have also said, however, is that testimony will be given to show the strength and breadth of our own space program. Our own achievements negate any contention that scientific and technical leadership on any broad front has passed to the Soviet Union. The military aspect of all this I will leave to the witnesses who follow me.

I have also noted—and I think this of great importance—that the basic approach of our country differs from that of the Soviet Union. We have emphasized from the outset consultation and cooperation with others. Even more important, we have taken the lead in the effort to establish a firm foundation for the devotion of outer space to peaceful purposes. Our leadership in the United Nations and elsewhere in this effort is undeniable, and we will continue to tread this path.

We will continue to work with other nations on the basis of our national tradition of "openness," and we will pursue our efforts to develop space vehicles for purposes of genuine service and utility to ourselves and those who are cooperating with us.

The Department of State throws its full support to a vigorous and continuing national effort in the challenging field of outer space. Soviet accomplishments in this field testify to the capacities of the Soviet Union. As responsible members of a free society, we recognize this fact. We have, however, full confidence that through our national efforts the United States on the broad scientific front can and will demonstrate in the field of outer space the leadership which is historically associated with free men.

Congressional Documents Relating to Foreign Policy

86th Congress, 1st Session

Fallout From Nuclear Weapons Tests. Hearings before the Special Subcommittee on Radiation of the Joint Atomic Energy Committee. Volume 1. May 5–8, 1959. 948 pp.

To Authorize a Payment to the Government of Japan. Hearings before the Subcommittee on the Far East and the Pacific of the House Committee on Foreign Affairs on S. 2130. August 27 and 28, 1959. 23 pp.

Tensions in Communist China. An analysis of internal pressures generated since 1949 prepared at the request of Senator Alexander Wiley by the Legislative Reference Service of the Library of Congress. S. Doc. 66. September 11, 1959. 73 pp.

Communist Threat to the United States Through the Caribbean. Hearings before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Senate Committee on the Judiciary. Part III, November 5, 1959. 38 pp.

Comparisons of the United States and Soviet Economies. Hearings before the Joint Economic Committee pursuant to Sec. 5(a) of Public Law 304 (79th Congress). November 13–20, 1959. 292 pp.

United States–Latin American Relations: Commodity Problems in Latin America. A study prepared at the request of the Subcommittee on American Republic Affairs of the Senate Foreign Relations Committee by International Economic Consultants, Inc. No. 2. December 12, 1959. 96 pp. [Committee print].

Soviet Intelligence in Asia. Hearing before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Senate Judiciary Committee. Testimony of A. Y. Kasnakheyev. December 14, 1959. 25 pp.

United States–Latin American Relations: The Organization of American States. A study prepared at the request of the Subcommittee on American Republic Affairs of the Senate Foreign Relations Committee by Northwestern University. No. 3. December 24, 1959. 87 pp. [Committee print].

86th Congress, 2d Session

The State of the Union. Address of the President before a joint session of the Senate and the House of Representatives. H. Doc. 241. January 7, 1960. 12 pp.

Special Study Mission to Europe. Report by members of the House Committee on Foreign Affairs. January 11, 1960. 34 pp. [Committee print].

A Study of European Economic Regionalism—A New Era in Free World Economic Politics. Report of a special study mission of the Subcommittee on Europe of the House Foreign Affairs Committee. January 11, 1960. 136 pp. [Committee print].

United States Foreign Policy: The Formulation and Administration of United States Foreign Policy. Study prepared at the request of the Senate Foreign Relations Committee by the Brookings Institution. No. 9. January 13, 1960. 191 pp. [Committee print].

Ninth Annual Report of the Activities of the Joint Committee on Defense Production, With Material on Mobilization From Departments and Agencies. H. Rept. 1193. January 13, 1960. 340 pp.

Agreement With the Republic of Austria Regarding the Return of Austrian Property, Rights, and Interests. Message from the President transmitting an agreement signed at Washington on January 30, 1959. S. Ex. A. January 14, 1960. 15 pp.

Progress and Prospects for European Migration, 1959–60

THIRTEENTH SESSION OF EXECUTIVE COMMITTEE AND ELEVENTH SESSION OF COUNCIL OF THE INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION

by George L. Warren

The Intergovernmental Committee for European Migration (ICEM) is composed of 29 member governments. Its purpose is to facilitate the movement from overpopulated areas in Europe of migrants and refugees who would not otherwise be moved. The Council, consisting of all 29 member governments, and the Executive Committee of 9 governments meet twice annually at the headquarters in Geneva.

The Council met in its 11th session at Geneva November 12–20, 1959. The Executive Committee convened on November 4 and adjourned on November 20, 1959.[1] Phillippe Monet (France) presided as chairman at the meetings of the Council and Eric O. Baron von Boetzelaer (Netherlands) as chairman of the Executive Committee. All members of the Council were represented except Paraguay. The Dominican Republic, Peru, San Marino, the Holy See, and the United Kingdom were represented as observers. The United Nations and the United Nations specialized agencies, the High Commissioner for Refugees, the Council of Europe, the Organization for European Economic Cooperation, and nongovernmental organizations interested in migration were also represented as accredited observers.

● *Mr. Warren is Adviser on Refugees and Displaced Persons, Department of State. He served as alternate U.S. representative to the 13th session of the ICEM Executive Committee and as principal adviser to the U.S. delegation to the 11th session of the ICEM Council.*

John W. Hanes, Jr., Administrator of the Bureau of Security and Consular Affairs of the Department of State, was the U.S. representative at the session of the Council. Robert S. McCollum, Deputy Administrator, Bureau of Security and Consular Affairs, as alternate, also represented the United States at meetings of the Executive Committee. Representative Francis E. Walter also attended as alternate U.S. representative. Senator Kenneth B. Keating, Representatives John E. Henderson and H. Allen Smith, Robert K. Gray, Secretary to the Cabinet, and Walter Sillers, Speaker of the House of Representatives of Mississippi, were other members of the U.S. delegation.

Financial Report for 1958

The financial report submitted by the Director for the year 1958, with the accompanying report of the external auditors, showed total income for administration of $3,266,719, expenditures of $3,195,695, and a carryover of $71,024. Income for operations totaled $24,291,575, expenditures were $23,315,244, and the carryover into 1959 was $976,331. The auditors' report made no recommendations requiring action by the Council. However, the Canadian representative questioned the adequacy of procedures of the auditors in spot checking sources outside the administration or items of accounts receivable listed in the balance sheet. The auditors replied directly that most

[1] For an article by Mr. Warren on the 10th session of the Council and the 12th session of the Executive Committee, see BULLETIN of July 13, 1959, p. 58.

of the accounts receivable involved payments by governments for operations in 1958 and that the accuracy of the items listed was adequately checked by a review of ICEM's correspondence with governments with respect to the amounts remaining unpaid on December 31, 1958. Of the total of $2,524,825 of accounts receivable from governments on that date, $2,060,334 had been received as of May 14, 1959. The Council adopted the report after these explanations.

Director's Report of Progress During 1959

The Director reported that of a total estimated movement of 112,670 from Europe in 1959, 84,993 had been moved by October 15. The movement of European refugees from mainland China through Hong Kong—1,375 by October 31, 1959—had been disappointing and reflected increased restrictions placed on the issuance of exit permits by the authorities on the mainland. In contrast, some 30,000 refugees had been moved overseas from Europe by the end of October, of whom 28,000 were under the mandate of the U.N. High Commissioner for Refugees. It was expected that over 38,800 would be moved by the end of the year. Many movements of physically and socially handicapped refugees had been made possible through the response of governments to the appeals for the World Refugee Year.

The Australian Government had agreed for the first time to experiment with loans to migrants for their transport. Arrangements were already in progress to initiate the loan scheme with respect to 1,500 selected Italian migrants who were about to depart for Australia. It was planned that repayments on the loans would be collected by Australian banks for ICEM's account.

The representatives of Argentina and Brazil in commenting on the Director's report urged the administration to concentrate its attention on securing more skilled and semiskilled migrants for their countries. These are badly needed immediately in their respective economies and should receive priority in the selection of migrants, as compared with relatives of former migrants who are predominantly consumers rather than producers.

In the course of the discussion two information papers, one on "Social Security for Migrants," presented by the Italian representative, and another on "ICEM's Relations with Voluntary Agencies," presented by the administration, were considered and noted by the Council along with the Director's report for 1959.

Agreement on Financing Movements of Refugees

The budgets and plans of operation for 1959 and 1960 were considered together by the Council, as each budget presented essentially the same continuing problem—the raising of sufficient income to maintain the current level of movements out of Europe at approximately the level of 112,000 in each year. During the preceding 3-year period ICEM had received substantial repayments on loans for transport from refugees moved in earlier years to the United States under the Refugee Relief Act of 1953. These payments were in large part concluded in 1959, and additional contributions from governments to replace this income would be needed to maintain the current level of movements. The requirements for additional income in 1959 were estimated at $450,000 and at $2 million for 1960.

The Executive Committee, in dealing with this problem, first explored the possibility of securing additional contributions toward the funds required to complete movements in 1959. Assisted by pledges of additional contributions of $100,000 from Australia and $50,000 from the Netherlands and by smaller pledges totaling approximately $50,000 from other governments made during the session, the Executive Committee envisaged the possibility that the funds required for 1959 would be forthcoming before the end of the year after all the members of the Council had been apprised of the situation. As added assurance, however, the Executive Committee recommended, and the Council approved, the application of such funds as might be required from the contingency reserve of $500,000 established in 1956 and 1957 to meet unusual requirements in transport income in any given year of operation.

In view of the fact that one-third of the shortfall of per capita income in meeting transport costs in 1959—approximately $700,000—resulted from movements of refugees which had not in many instances generated compensatory per capita contributions, the Executive Committee recommended, and the Council agreed, that expenditures for the movement of normal migrants and for the movement of refugees be presented separately in the budget for 1960. The purpose of this

action was to encourage all governments to contribute to the movement of refugees in 1960, whereas emigration and immigration countries would be expected to bear the responsibility for providing adequate funds for the movement of normal migrants. In previous years Western European governments, not particularly interested in emigration from their particular countries, had refrained on grounds of principle from participating financially in ICEM's operations.

The ready acceptance by all member governments of responsibility to contribute to the movement of refugees was one of the main achievements of the session. The Council was pleased to have the assurance of the U.N. High Commissioner for Refugees that he would assist in every way possible to bring ICEM's needs for funds for the movement of refugees to the attention of governments during the World Refugee Year.

As one of its final actions the Council adopted a resolution appealing especially to all governments to contribute to the movement of refugees in 1960. The total cost of moving 37,000 refugees in 1960 was estimated at $7,478,770.

The 1960 and 1961 Budgets

Governments were not prepared at the session of the Council to make firm pledges of contributions for 1960, particularly in view of the need for increased contributions. On the other hand, the Director stated that in the absence of firm pledges at the session he would be obliged to delay arrangements for movements in 1960 that were already in process in November 1959. Many governments were in turn concerned that the level of movements might thereby be reduced and were inclined to be more optimistic that adequate funds would be forthcoming to maintain the current level of movements.

This problem was finally resolved by adoption by the Council of recommendations by the Executive Committee that (1) the current level of movements be maintained by the Director during the first quarter of 1960; (2) the Executive Committee be convened in emergency session early in January 1960 to review pledges of contributions received and to adjust the plan of operations for the balance of the year as required by the income available or in sight at the time; and (3) the budget for 1960 be approved as presented by the Director with the knowledge that amendments thereto might be required at the 12th session of the Council in April 1960 as a result of the Executive Committee review in January. The budget for 1960 adopted by the Council provided for the expenditure of $3,089,500 for administration and $32,261,582 for operations.

During the course of the discussion on the 1960 budget in the Council, a number of important statements bearing upon the working relations existing between the administration and their governments were made by the representatives of Argentina, Australia, Brazil, and the Netherlands. Argentina and Brazil desired that more emphasis be placed on the selection of skilled and semi-skilled migrants for their countries than on the movement of relatives joining earlier migrants. Australia and the Netherlands were concerned about maintaining the flow of migrants to or from their respective countries. The Council invited the Executive Committee to review these statements at its January meeting to determine what improvements in operations could be made in response to the respective government interventions.

The Council noted without detailed study the Director's forecast of 117,250 movements from Europe and 3,250 movements of European refugees from Hong Kong in 1961. The financial requirements for the 1961 program were estimated at $3,100,000 for administration and $33,273,830 for operations.

Pilot Projects

The Director reported that the training course for 10 specially selected migration officials approved by the Council at the ninth session had been successfully completed in Canada and that the officials attending the course were already back at work at their respective posts in different government administrations. He expressed the hope that a similar course could be organized within the next 2 years.

The Italian representative reported that the preparatory work for the opening of the vocational training center for migrants in Italy, also approved at the ninth session, had been completed and that over 300 migrants would soon begin actual training in preparation for emigration to Latin American countries.

Further progress was reported in the planning of the proposed farm training school for immigrants in Argentina, but action by the Council on the project was deferred at the suggestion of the

U.S. representative to provide further opportunity for the Argentine and U.S. representatives to discuss the details and possible methods of financing the project.

Ecuador Elected Member of ICEM

On recommendation of the Executive Committee, the Council unanimously elected the Government of Ecuador as a member of ICEM. Ecuador had previously agreed to accept the constitution of ICEM and to contribute 0.12 percent of ICEM's budget for administration.

Executive Committee for 1960

Following the voluntary withdrawal of Germany as a candidate for reelection to the Executive Committee in 1960 to make possible the election of Spain, the Council elected the following governments as members of the Executive Committee in 1960: Argentina, Australia, Canada, Italy, Netherlands, Spain, Switzerland, United States, and Venezuela. Germany stated her confident expectation that she would be reelected in 1961 as the result of the voluntary withdrawal of some other member of the Executive Committee in that year.

The Organization of American States was added to the list of recognized observers at Council sessions by formal action of the Council.

Twelfth Session

The Council adjourned its 11th session on November 20, 1959, and accepted the invitation of the Government of Italy to convene its 12th session at Naples on or about May 5, 1960. Appropriate ceremonies commemorating the movement of the one millionth migrant from Europe under ICEM's auspices will take place during the 12th session of the Council.

United States Delegations to International Conferences

ECE Committee on Electric Power

The Department of State announced on January 22 (press release 29) that Jarvis D. Davenport, president, Sturgis Water Works Co., Sturgis, S. Dak., has been designated as the U.S. Delegate to the 18th session of the Committee on Electric Power of the U.N. Economic Commission for Europe (ECE), which will convene at Geneva January 27, 1960.

The Electric Power Committee was established in 1947 and is one of the principal subsidiary bodies of the ECE. Its studies include economic questions concerning transmission of electric power and rural electrification. This session will review technical studies of the production and distribution of electric power in Europe, elect a secretariat chairman, and consider a work program for the coming year.

Current U.N. Documents: A Selected Bibliography[1]

Economic and Social Council

Economic Commission for Africa. Survey of Resources: Review of Geology and Mineral Investigation in Africa. Prepared by UNESCO. E/CN.14/30 and Corr. 1. December 10, 1959. 108 pp.

Commission on Human Rights. Sub-Commission on Prevention of Discrimination and Protection of Minorities. Measures Taken by the United Nations Educational, Scientific and Cultural Organization for the Preparation of International Instruments Relating to Discrimination in Education. E/CN.4/Sub. 2/201 and Add. 1. December 16, 1959. 28 pp.

Commission on the Status of Women. Information Concerning the Status of Women in Non-Self-Governing Territories. Report by the Secretary-General. E/CN.6/355. December 17, 1959. 35 pp.

Commission on the Status of Women. Consent to Marriage, Age of Marriage and Registration of Marriages. Report by the Secretary-General. E/CN.6/356. December 21, 1959. 67 pp.

Economic Commission for Africa. Meeting of Experts on Techniques of Development Programming in Africa 30 November to 5 December 1959 in Addis Ababa. Report by Executive Secretary. E/CN.14/42. December 23, 1959. 18 pp.

Commission on the Status of Women. Information Concerning the Status of Women in Trust Territories. E/CN.6/352/Add. 1. December 29, 1959. 9 pp.

Commission on Human Rights. Declaration on the Right of Asylum: Comments of Governments. Note by the Secretary-General. E/CN.4/793. January 4, 1960. 7 pp.

Commission on Human Rights. Declaration of the Right of Asylum: Comments of Non-governmental Organizations. Note by the Secretary-General. E/CN.4/794. January 6, 1960. 11 pp.

Statistical Commission. The Standard International Trade Classification and the 1955 Brussels Tariff Nomenclature: Proposal for Combining the Two Systems. Memorandum by the Secretary-General. E/CN.3/261. January 7, 1960. 116 pp.

[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain libraries in the United States.

TREATY INFORMATION

Current Actions

MULTILATERAL

Aviation

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.
Adherence deposited (with a statement): Panama, January 18, 1960.

Property

Convention for the protection of industrial property. Signed at London June 2, 1934. Entered into force August 1, 1938. 53 Stat. 1748.
Notification by Australia of extension on February 5, 1960 to: Papua, Norfolk Islands, Trust Territory of New Guinea.

Telecommunication

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1958 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960. TIAS 4390.
Notifications of approval: Japan, November 24, 1959; Thailand, December 3, 1959; Finland, December 4, 1959.

Whaling

Amendments to paragraphs 1(a), 4(1), 5, 6(3), 7(a), 16, and 17(c) of the schedule annexed to the international whaling convention of 1946 (TIAS 1849). Adopted at the 11th meeting of the International Whaling Commission, London, June 22–July 1, 1959. Entered into force October 4, 1959, with exception of amendment to paragraph 4(1).
Entered into force: Amendment to paragraph 4(1), except for Iceland, January 3, 1960.

BILATERAL

Chile

Agreement extending agreement for a cooperative program of general geological and mineralogical investigations of the uranium resources of Chile (TIAS 3912). Effected by exchange of notes at Santiago November 18 and December 18, 1959. Entered into force December 18, 1959.

Greece

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U.S.C. 1701–1709), with related notes. Signed at Athens January 7, 1960. Entered into force January 7, 1960.

Japan

Treaty of Mutual Cooperation and Security, with agreed minute and exchange of notes. Signed at Washington January 19, 1960. Enters into force on the date of exchange of ratifications.

Agreement under article VI of the Treaty of Mutual Cooperation and Security regarding facilities and areas and the status of United States armed forces in Japan, with agreed minutes and exchange of notes providing for the settlement of certain claims against the United States forces by former employees. Signed at Washington January 19, 1960. Enters into force upon exchange of notes indicating approval by the two Governments in accordance with their legal procedures and entry into force of Treaty of Mutual Cooperation and Security.

Understanding revising references to the Security Treaty of September 8, 1951 (TIAS 2491), in the mutual defense assistance agreement of March 8, 1954 (TIAS 2957). Effected by exchange of notes at Washington January 19, 1960. Enters into force on the date of entry into force of the Treaty of Mutual Cooperation and Security.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Atomic Energy—Cooperation for Civil Uses. TIAS 4339. 4 pp. 5¢.

Agreement between the United States of America and the Netherlands, amending agreement of June 22, 1956, as amended. Signed at Washington July 22, 1959. Entered into force October 30, 1959.

Defense—Loan of Vessels to China. TIAS 4340. 7 pp. 10¢.

Agreement between the United States of America and China, amending agreement of January 13, 1954. Exchange of notes—Signed at Taipei September 22, 1959. Entered into force September 22, 1959.

Economic Cooperation—Informational Media Guaranty Program. TIAS 4341. 3 pp. 5¢.

Agreement between the United States of America and the Republic of Korea. Exchange of notes—Signed at Seoul April 4, 1958, and September 25, 1959. Entered into force September 25, 1959.

Cultural Relations. TIAS 4342. 5 pp. 5¢.

Agreement between the United States of America and Guinea. Exchange of notes—Signed at Washington October 28, 1959. Entered into force October 28, 1959.

Grant for Procurement of Nuclear Research and Training Equipment and Materials. TIAS 4343. 5 pp. 5¢.

Agreement between the United States of America and Lebanon. Exchange of notes—Signed at Beirut September 16, 1959. Entered into force September 16, 1959.

Surplus Agricultural Commodities. TIAS 4344. 3 pp. 5¢.

Agreement between the United States of America and Iceland, supplementing agreement of March 3, 1959. Exchange of notes—Signed at Washington November 3, 1959. Entered into force November 3, 1959.

Special Economic Assistance—Transportation of Wheat in Yemen. TIAS 4346. 4 pp. 5¢.

Agreement between the United States of America and Yemen, supplementing agreement of June 29 and 30, 1959. Exchange of notes—Signed at Taiz October 3 and 4, 1959. Entered into force October 4, 1959.

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No.	Date	Subject
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25	1/19	Text of Treaty of Mutual Cooperation and Security with Japan.
†26	1/20	Dean: statement on law of sea conventions.
27	1/20	Merchant: "Importance of the Space Program in International Relations."
28	1/20	Merchant: departure of Premier Kishi of Japan.
29	1/22	Delegate to ECE Electric Power Committee (rewrite).
30	1/22	U.S. policy toward Iran.
†31	1/22	1964 World's Fair.

†Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

Bulletin

VOL. XLII, No. 1077 • PUBLICATION 6941

February 15, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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The Self-Judging Aspect of the U.S. Reservation on Jurisdiction of the International Court

Following are statements made by Secretary Herter and Attorney General William P. Rogers before the Senate Committee on Foreign Relations on January 27 during hearings on Senate Resolution 94.

STATEMENT BY SECRETARY HERTER

Press release 41 dated January 27

I am privileged to appear this morning before the committee in connection with Senate Resolution 94. This resolution, if adopted, would eliminate the self-judging aspect of the domestic-jurisdiction reservation to the United States acceptance of the compulsory jurisdiction of the International Court of Justice. Through the self-judging aspect of this reservation, the United States reserved to itself the right to determine unilaterally whether a subject matter of litigation lies essentially within its domestic jurisdiction.

The Rule of Law

I should like to begin by speaking for a moment about the general subject of the rule of law. Stated in its most simple manner, the rule of law in international affairs refers essentially to a set of arrangements within which states can settle their unresolved differences by peaceful means and without resort to force. This conception of the rule of law was stated by the late Secretary Dulles as follows:[1]

> We in the United States have from the very beginning of our history insisted that there is a rule of law which is above the rule of man. That concept we derived from our English forebears. But we, as well as they, played a part in its acceptance. . . .
>
> Thus our Nation since its inception has been dedicated to the principle that man in his relationship with other men should be governed by moral, or natural, law. . . .
>
> Now we carry these concepts into the international field. We believe that the results thus obtainable, though not perfect, are nevertheless generally fair and that they are preferable to any other human order that can be devised.
>
> A most significant development of our time is the fact that for the first time, under the charter of the United Nations, there has been a determined effort to establish law and justice as the decisive and essential substitutes for force.

Let me at this point underscore the obvious proposition that the availability of impartial adjudication and resort to it cannot provide a cure for all of the problems which beset us in the realm of international affairs. One cannot eradicate poverty or disease merely by application to an international tribunal. Moreover, even with regard to those problems which, by their nature, are justiciable, it is clear that increased resort to adjudication is merely one of a number of steps necessary to promote an international atmosphere in which the exercise of force by any state is unthinkable.

The President, writing to Senator Humphrey on November 17, 1959,[2] stated:

> One of the great purposes of this Administration has been to advance the rule of law in the world, through actions directly by the United States Government and in concert with the governments of other countries. It is open to us to further this great purpose both through optimum use of existing international institutions and through the adoption of changes and improvements in those institutions.

Our continued participation in the United Nations and other international organizations is one way

[1] BULLETIN of Feb. 23, 1959, p. 255.

[2] For an exchange of letters between President Eisenhower and Senator Hubert H. Humphrey, see *ibid.*, Jan. 25, 1960, p. 128.

in which we are trying to further the rule of law. As you know, we have also been actively engaged in discussions at Geneva concerning the discontinuance of nuclear weapons tests.[3] We are anticipating and preparing for the broader deliberations of the 10-nation Disarmament Committee which is to convene in March.[4]

International Arbitration and Adjudication

Let me turn now to the subject of international arbitration and adjudication and begin with a little of the historical background underlying the creation of the International Court of Justice as the principal judicial organ of the United Nations.

The late 18th and 19th centuries saw the development of a pattern of *ad hoc* arbitration in cases in which a dispute between states could not be settled through usual diplomatic channels by negotiation, conciliation, good offices, or other means. Examples of successful arbitral settlements are furnished by the resolution of disputes arising from our treaty of peace with Great Britain of 1782–1783, the United States–Canadian boundary dispute, and the *Alabama* claims.

The Hague conventions on pacific settlement of disputes, signed in 1899 and 1907, constituted the initial attempt to regularize the arbitration system. These conventions, ratified by over 50 states including the United States, created a Permanent Court of Arbitration. This Court was actually a permanent panel of arbitrators to whom states could turn when they wished to resort to arbitration. The Court possessed no defined jurisdiction, and states which were parties to the conventions did not undertake any binding obligation to consent to the arbitration of international disputes. As in the case of *ad hoc* arbitration, it was still necessary to have an arbitral agreement in each case.

The United States also entered into a number of bilateral treaty relationships providing for the arbitration of differences. Again, under these arrangements, a special agreement was required in each case for submission of a dispute to the tribunal provided for in the treaty.

The League of Nations, created after the conclusion of World War I, envisaged the creation of the Permanent Court of International Justice, the immediate predecessor of the present International Court of Justice. The Permanent Court was quite similar to the present Court in its structure and jurisdiction. It did not possess a defined jurisdiction binding in all cases upon states which were parties to the Court's statute. Instead, article 36 of the statute contained a so-called optional clause, under which states could make declarations accepting generally the Court's jurisdiction. This arrangement constituted a significant expansion in the scope of impartial adjudication by international tribunals. The United States, however, did not become a party to the statute of the Permanent Court.

The International Court of Justice

The San Francisco conference, held in 1945 shortly before the conclusion of the Second World War, created the United Nations Organization and constituted a new court, called the International Court of Justice, as the principal judicial organ of the United Nations. The records of the San Francisco conference reflect an intensive and extensive debate on the question whether the new International Court should have compulsory jurisdiction over all legal disputes arising between states members of the United Nations. Although a large number of the states present at the conference asserted that the Court should have such compulsory jurisdiction, it was decided to make the jurisdiction of the Court optional.

After the charter of the United Nations came into force, it was proposed in the Senate that the United States deposit a declaration accepting the compulsory jurisdiction of the new Court. Senate Resolution 196 of the 79th Congress proposed to recognize

> . . . as compulsory ipso facto and without special agreement, in relation to any other state accepting the same obligation, the jurisdiction of the International Court of Justice in all legal disputes hereafter arising concerning—
>
> a. the interpretation of a treaty;
>
> b. any question of international law;
>
> c. the existence of any fact which, if established, would constitute a breach of an international obligation;
>
> d. the nature or extent of the reparation to be made for the breach of an international obligation.

As reported by the Foreign Relations Committee,[5]

[3] For a statement by the chairman of the U.S. delegation, see *ibid.*, Jan. 18, 1960, p. 79.

[4] For background, see *ibid.*, Jan. 11, 1960, p. 45.

[5] S. Rept. 1835, 79th Cong., 2d sess.

Resolution 196 further provided that the declaration should not apply to:

a. disputes the solution of which the parties shall entrust to other tribunals by virtue of agreements already in existence or which may be concluded in the future; or

b. disputes with regard to matters which are essentially within the domestic jurisdiction of the United States; or

c. disputes arising under a multilateral treaty, unless (1) all parties to the treaty affected by the decision are also parties to the case before the Court, or (2) the United States specially agrees to jurisdiction.

The resolution further provided that the declaration should remain in force for a period of 5 years and thereafter until the expiration of 6 months after notice of its termination.

The Self-Judging Reservation

During consideration of the resolution in the Foreign Relations Committee, Senator [Warren R.] Austin suggested that the provision withholding jurisdiction over domestic disputes be amended so as to include a self-judging reservation similar to the subsequent proposal made by Senator [Tom] Connally on the floor of the Senate. However, Senator Austin's proposal was rejected by the committee, and Resolution 196 was unanimously reported by the committee for favorable Senate action without any self-judging reservation.

The Senate began its consideration of S. Res. 196 on July 31, 1946. Shortly thereafter Senator Connally introduced his amendment, which added the words "as determined by the United States" at the end of proviso "b" of S. Res. 196, so that it would read:

disputes with regard to matters which are essentially within the domestic jurisdiction of the United States *as determined by the United States.*

He stated his view that such a self-judging domestic-jurisdiction reservation was necessary because the International Court might take a dangerously broad view of what was an international question and thus interfere with U.S. policy on immigration, tariffs, and matters relating to the Panama Canal. Senator Connally's amendment was adopted, and the United States, within these limits, declared itself bound by the compulsory jurisdiction of the Court.[6]

[6] For text of the declaration, see BULLETIN of Sept. 8, 1946, p. 452.

Experience With the Reservation

Criticism of the amendment was soon voiced in the United States. And it became apparent with the passage of time and the gaining of experience that the self-judging aspect of our domestic-jurisdiction reservation was disadvantageous to the United States.

In 1946 and 1947 the American Bar Association adopted resolutions urging elimination of the proviso reserving to the United States the unilateral right of determination as to what constitutes a matter essentially within its domestic jurisdiction.

The assertion by the United States that, in every case arising within the compulsory jurisdiction of the Court, it reserved the unilateral right to determine whether the subject fell within the domestic jurisdiction of the United States—and thus lay beyond the jurisdiction of the Court—set an example of supercaution which was subsequently copied by several other countries. Mexico, France, Liberia, the Union of South Africa, India, Pakistan, and the Sudan proceeded to condition their acceptances of compulsory jurisdiction with self-judging domestic reservations. A similar action was taken by the United Kingdom in excluding from the Court's jurisdiction disputes which the United Kingdom determined to relate to questions affecting its national security or that of its dependent territories.

This pattern, fortunately, did not become very widespread. Indeed, the trend has more recently been reversed, with India, the United Kingdom, and France reconsidering and dropping their self-judging reservations.

Next, I should like to call attention to another unfortunate effect of the self-judging reservation. It is now apparent that a nation which has such a self-judging reservation may have seriously limited its own ability to take other nations into the Court. This is illustrated by the *Norwegian Loans* case,[7] which was decided by the International Court of Justice in 1957.

Norway had floated public loans in France at the turn of the century. The bonds contained a promise to repay in gold or its equivalent. After devaluation of the Norwegian currency, a dispute arose as to whether Norway had to comply with the gold clause. The parties could not agree, and since Norway had accepted the compulsory juris-

[7] I.C.J. Rept. 9 (1957)

diction of the Court in 1946 and France in 1949, the French Government instituted proceedings against Norway by application in 1955.

The French acceptance of the Court's jurisdiction contained a self-judging reservation very similar to our own. The French declaration excluded "differences relating to matters which are essentially within the national jurisdiction as understood by the Government of the French Republic." The Norwegian declaration contained no such reservation. Norway filed objections to the jurisdiction of the Court. One of these was based on the self-judging reservation of France, which Norway contended she was entitled to invoke on the basis of reciprocity. Norway claimed that the manner of repayment of the bonds was a matter essentially within the national jurisdiction of Norway, as understood by Norway. The Court upheld Norway's right to invoke her adversary's self-judging reservation and accordingly determined that it lacked jurisdiction.

It is clear that this type of reservation is inconsistent with the deeply rooted notion that no one should be a judge in his own cause. Moreover, a self-judging reservation is incompatible with the sixth paragraph of article 36 of the statute of the Court, which provides that

> In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court.

Perhaps a reason for our insistence in 1946 upon a self-judging reservation may have lain in lack of experience with the new Court in operation and a fear that it might construe its jurisdiction expansively. Now we are able to see, in looking back over the 14 years which have elapsed since 1946, that the Court has acted conservatively in the matter of jurisdiction.

Deletion of our self-judging reservation will not operate to give the International Court jurisdiction of domestic matters. There should be no misapprehension on this score. With the removal of the self-judging proviso, our declaration would continue to be subject to the reservation that it is *not* applicable to:

> . . . disputes with regard to matters which are essentially within the domestic jurisdiction of the United States of America.

Secondly, article 36, paragraph 2, of the statute of the Court specifically provides for compulsory jurisdiction only in *legal* disputes concerning:

> a. the interpretation of a treaty;
> b. any question of international law;
> c. the existence of any fact which, if established, would constitute a breach of an international obligation;
> d. the nature or extent of the reparation to be made for the breach of an international obligation.

Domestic issues are clearly beyond this jurisdiction.

Matters relating to immigration, tariffs, and the Panama Canal—mentioned in the Senate debates concerning the self-judging reservation—would not be held by the Court to be subjects of international concern, except insofar as the United States had entered into international agreements concerning them. Furthermore, even where matters relating to these subjects have been incorporated in treaties and other international agreements, the record of United States policy and action is such that we need not fear the availability of recourse to impartial international adjudication.

Thirdly, article 2(7) of the charter of the United Nations, upon which the Court's statute is predicated, provides the limitation that:

> Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the Members to submit such matters to settlement under the present Charter. . . .

Conclusions

If the Senate adopts Senate Resolution 94, the administration intends to urge other states having self-judging reservations to eliminate them. As the President said in his message on the state of the Union [8] earlier this month,

> There is pending before the Senate a resolution which would repeal our present self-judging reservation. I support that resolution and urge its prompt passage. If this is done, I intend to urge similar acceptance of the Court's jurisdiction by every member of the United Nations.

Indeed, it should be noted that the removal of our self-judging reservation would be consistent with the constructive steps recently taken by three leading free-world countries. On November 26, 1958, the United Kingdom deleted its self-judging reservation, which related to security matters.

[8] BULLETIN OF Jan. 25, 1960, p. 11.

[ore recently on July 10, 1959, France filed a ew declaration omitting its previous self-judging ›servation. On September 14, 1959, India de- ›sited a new declaration accepting compulsory ırisdiction which, similarly, did not repeat a ·lf-judging reservation. Once we have acted to rike our own self-judging clause, we will be in vastly stronger position to seek the goal recently ated by the President.

As I said at the beginning of my testimony, ›velopment of a working rule of law in the 'orld, displacing resort to force, is a supreme ›al for the community of nations. We believe ıat increased availability of international ad- dication, and the use of this means of pacific ttlement, can make a meaningful contribution to .e total effort of United States foreign policy. The Department of State and the administra- ›n as a whole strongly support Senate Resolu- ›n 94. We hope for its early adoption.

'ATEMENT BY ATTORNEY GENERAL ROGERS

I appreciate the opportunity to appear today t testify in support of S. Res. 94. That resolu- ›n would revise our 1946 acceptance of the juris- ›ction of the International Court of Justice to ›iminate the self-judging aspect only of our ›servation of domestic matters from the Court's risdiction.

On June 8, 1959, the Department reported on is resolution and recommended its adoption. his state of the Union message of January 7, 60, the President stated his support of the reso- tion and urged its prompt passage. This morn- g, I understand, the Department of State has viewed comprehensively the background of the solution, its relation to the fundamental objec- ›es of our foreign policy, and the necessity for ; early passage to effectuate that policy. The ›partment of Justice is in full accord with the ›partment of State, and I shall not retrace this ound.

In 1946 the United States accepted the juris- ›ction of the Court, as defined and limited in the ›urt's statute, but upon several conditions. ›e of those conditions specifically reserved from e Court's jurisdiction

> lisputes with regard to matters which are essentially thin the domestic jurisdiction of the United States of nerica as determined by the United States of America.

The pending resolution would accord the advice and consent of the Senate to the elimination of the self-judging aspect of that reservation, embodied in the phrase "as determined by the United States of America."

It would not—and I underline this, as I believe there has been some misunderstanding concerning it—in any way alter our specific reservation from the Court's jurisdiction of disputes with regard to domestic matters. It would only clearly and plainly make the Court the judge of its own jurisdiction. This is fully in accord with the provision of article 36(6) of the Court's statute, to which we are a party. That section provides,

> In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court.

Soundness of Committee's Recommendation

You will recall that in 1946 this committee unanimously recommended against the inclusion of the self-judging reservation. This was done advisedly and deliberately.

The committee rested its recommendation principally on the grounds that: (1) The ultimate purpose of the resolution was to lead to general worldwide acceptance of the jurisdiction of the Court in legal cases and that "a reservation of the right of decision as to what are matters essentially within domestic jurisdiction would tend to defeat the purposes which it is hoped to achieve by means of the proposed declaration"; (2) that the jurisdiction of the Court by definition was strictly limited to international matters and necessarily excluded domestic matters; (3) that if the question whether a matter was international or domestic "were left to the decision of each individual state, it would be possible to withhold any case from adjudication on the plea that it is a matter of domestic jurisdiction"; and (4) that "it is plainly the intention of the statute that such questions should be decided by the Court."

Adverse Effects of Self-Judging Reservation

Although the unanimous committee recommendation was rejected, the soundness of its view has been confirmed by experience.

First, the self-judging aspect of our reservation has tended to create doubt in the international community of the good faith of our declared in-

tention to accept the jurisdiction of the Court. So long as we insist on its retention it will be difficult to dissipate that doubt.

Second, the action of the United States in adopting a self-judging reservation set an unfortunate example which was followed by several other nations. Three of these, however, have recently dropped this type of reservation.

Third, it is, nevertheless, worth noting that more than 30 free nations have accepted the Court's statutory jurisdiction without similar reservation.

Fourth, on the basis of reciprocity, a nation, even one without a similar reservation, may be able to invoke our reservation so as to defeat the Court's jurisdiction. In the *Norwegian Loans* case, on a complaint brought against Norway by France, Norway successfully invoked France's self-judging reservation to defeat the Court's jurisdiction at the threshold. In the ever-broadening context of our worldwide interests such a result is patently inimical to those interests.

Fifth, the reservation is at war with several of our basic concepts for which we seek universal acceptance. Those concepts are that no nation shall act as judge in its own case and that a court, and not a litigant, should have the right to determine at the threshold of a case whether or not the court has jurisdiction to decide the case.

The adverse effects which were foreseen by the committee have materialized since the adoption of the reservation. The basic argument advanced, both when the reservation was initially under consideration and now, is that the reservation is necessary in order to preclude the Court from exercising a domestic jurisdiction over matters, such as immigration, tariffs, and the Panama Canal, not granted to it. It was urged, too, that this danger was enhanced because of the uncertain quality of the judges and the absence of a well-defined body of international law to be applied by the Court.

Reservation Unwarranted by Experience With Court

When the Court was new, no evidence was available to test the validity of these assumptions. Now, after 14 years of experience with the Court, these grounds do not withstand objective examination.

Although the operation of the Court has been under close international and national scrutiny it has not been suggested that the Court ha sought to extend its jurisdiction in any cas beyond the limits of its statutory grant in orde to deal with matters of domestic jurisdiction.

No evidence has been adduced that any of th judges do not meet the high qualifications pre scribed for the office by the Court's statute, no has there been any evidence that the relevant prin ciples of international law have been ascertaine or applied by the Court in any different way tha our own courts perform the same functions.

In short, there has been no supported challeng to either the fairness of the procedures of th Court or the integrity of its decisions. It seem fair to say that courts, like other human institu tions, should be judged by their performance. O the basis of performance, fears of usurpation o domestic jurisdiction seem unfounded.

The self-judging aspect of our reservation ha proved inconsistent with, and harmful to, ou fundamental purpose: to encourage the rule of la through the judicial settlement of legal dispute between nations. Our reservation in this respec is unwarranted by our 14 years of experience wit the Court in operation. The Department of Jus tice therefore renews the recommendation tha this part of the reservation be eliminated at th earliest possible date.

King and Queen of Nepal To Visit United States in April

White House press release dated January 28

The White House announced on January 2 that Their Majesties King Mahendra and Quee Ratna of Nepal, who recently accepted the Presi dent's invitation to visit the United States, ar scheduled to arrive at Washington on April 27

Their Majesties will remain in Washingto until the morning of April 30, when they wil depart on an extensive tour of the United States

[9] See *Report on the Self-Judging Aspect of the Unite States' Domestic Jurisdiction Reservation With Respec to the International Court of Justice,* American Ba Association, Section of International and Comparativ Law (August 1959) and bibliography therein.

Peace With Justice in Freedom

by Andrew H. Berding
Assistant Secretary for Public Affairs[1]

The American people and Government sincerely lesire peace. They are eager to work for peace. They are honestly determined to carry out any ıgreements that might be reached for peace.

This peace of which we speak must, however, ›e peace with honor. This, to me, has three requirements, all of them interrelated:

that we preserve our national security;

that we help preserve the security of the free vorld;

that we support the right of all peoples to choose for themselves the form of political, economic, and ocial system under which they wish to live.

Peace with honor will not be achieved if we acrifice or blur any one of these three equirements.

This new year, the first of a new decade, will e historic in testing whether peace with justice n freedom is possible in the foreseeable future. President Eisenhower will go in May to Paris or the summit meeting with Chairman Khrushchev. He will go in June to Moscow for further alks with Mr. Khrushchev.

The forthcoming summit conference may not roduce final decisions on the great problems which divide the world. We do not believe these an be settled at a blow by any conference. Rather, we should expect these problems will be ıe subject of a series of conferences, such as the aders of Britain, France, and the United States ave proposed to Mr. Khrushchev, and of efforts elow the summit level, such as the nuclear-testing conference and the 10-nation disarmament conference.

Although realistically we shall not go to this initial summit meeting with great expectations, nevertheless it should be valuable in probing Soviet intentions and attitudes.

In recent months, and particularly after Mr. Khrushchev's return from his visit to the United States, we have noted a partial change in Soviet tactics. The Soviets have seemed somewhat more amenable, less aggressive, more relaxed, less provocative.

It has therefore seemed logical to us and our allies that an attempt should be made at a summit conference to see whether this different approach offers a prospect for beginning, at least, to settle some of the major issues outstanding with the Soviet Union. These include disarmament, Germany including Berlin, and a number of items under the overall heading of East-West relations.

The Western Powers have begun intensive work in preparation for the summit meeting. No effort will be spared to arrive at Western positions which will offer fair and honest bases for agreement.

But, while Soviet tactics seem to have changed, we have been able thus far to detect no change whatever in Soviet ultimate ambitions—the creation of a Communist world. Chairman Khrushchev, in a number of statements even after he returned from the United States, has helped us to keep this in mind. He has missed no occasion to insist upon the inevitability of the triumph of communism over the free world and upon his determination to bring this about.

True, he has recently emphasized that this will not be done through war. The Soviet Union's progress in nuclear weapons and missiles may

[1] Address made before the Women's Forum on National ecurity at Washington, D.C., on Jan. 29 (press release 5).

have had one good result. It may have impressed upon the Soviet rulers the horrible destructiveness of modern weapons. They know that in a major war the Soviet Union would suffer devastation many, many times greater than the terrible losses they experienced in the last war. Therefore the thesis of Lenin that war is necessary to overcome capitalism has evidently been modified.

But the conflict will be waged just the same and with the same intensity as if it were military. The battlefields will be political, economic, psychological. There is every reason to believe that the Soviets will employ all means possible to triumph in all these fields.

Meaning of "Peaceful Coexistence"

This is what is meant by the Soviets when they speak of "peaceful coexistence"—a phrase used very often by Chairman Khrushchev during his visit to the United States. It is peaceful only in the sense that it implies no shooting war. All its other connotations are of conflict—conflict between two opposing camps, constant battle for victory of one over the other, ultimate total triumph and ultimate total defeat.

In a speech at Novosibirsk on October 10, 1959, Chairman Khrushchev said: "Coexistence is the extension of the struggle of two social systems. . . . We believe this is an economic, political and ideological struggle but not a military struggle." If this is the meaning of peaceful coexistence, can we take seriously Mr. Khrushchev's call for an end to the "cold war"? Certainly the American people and Government would welcome a genuine Soviet move to end the cold-war policy which lies at the root of the present disagreement between East and West and to replace it with a policy of peaceful cooperation with the rest of the world. But if the emphasis from Moscow is continually on struggle, struggle, struggle, can we believe that Mr. Khrushchev is sincere when he proclaims the end of the cold war?

The Communist reasoning goes something like this:

First, the capitalist and Communist systems (by capitalism the Soviets mean the definition given it by Marx, thus ignoring the developments of the last century) are inherently antagonistic. Their mutual struggle represents the working of an historical process.

Second, the Communist camp is not powerfu enough at present to overwhelm the capitalis camp by frontal assault. At the same time th Communist camp has become so powerful that th capitalist camp can no longer overthrow i through war. Therefore the two systems wil peacefully coexist until there is a decisive weak ening of the capitalist camp or a decisive strength ening of the Communist camp.

Third, since the Communist system represent the wave of the future, its components cann secede. In other words, condemnation for Yug slavia and no independence for the satellites.

Fourth, the free flow of non-Communist idea within the bloc is forbidden because they ar poisonous; but the free world should give fu access to Communist ideas because they ar progressive.

Fifth, competition between the Communist sys tem and the capitalist system can take place onl outside the Communist camp, especially in les developed countries. Those countries where th capitalist system has not developed spontaneousl should be helped by the bloc to bypass the capita ist stage and proceed directly to communism.

Sixth, the promotion of communism on a worl wide scale is a sacred responsibility of the pr eminent Soviet Communist Party, as well as a Communist parties. This, however, does not re represent interference in the internal affairs of othe countries by the Soviet state.

This is the meaning of peaceful coexistence i the Soviet lexicon, and we need to keep it co stantly in mind.

Peaceful coexistence seems to be the only co cept available to the Soviets for explaining th prolonged existence of the capitalist systen More than a century ago Karl Marx predicte the collapse of capitalism. But now, lo and b hold, in the second half of the 20th century, wh Marx called capitalism has disappeared. In i place a great variety of systems, combining i various degrees democratic political forms an mixed economic forms, flourish around the worl In other countries new combinations are evolvin often painfully. Marx's theory, meanwhile, h nowhere proven itself in practice and has every where been discarded by life itself. Despite h prediction that the few would become wealthi and the many poorer, the opposite has prove true in countries which have maintained the democratic ways of life.

The United States and the free world generally would warmly welcome an improvement of their relations with the Soviet Union. We shall leave not the smallest pebble unturned to see if this is possible. We are at all times willing to meet the Soviet Government halfway, and then a little more, to achieve true peace.

Friendship Between Russian and American Peoples

There has been traditional friendship between the Russian and the American peoples. We have long cherished Russian music and literature, we admired Russian bravery and resistance in the last war, we appreciate Russian achievements in science. It is tragic that real peace does not exist between our two peoples.

Certainly there is no quarrel between the American people and the peoples of the Soviet Union. Don't we all want the same thing: self-improvement, a better life for our children, justice, an honest reward for honest labor, and the right to enjoy the fruits of what we have helped create?

The best hope for true peace lies in the prospect that modifications in Soviet behavior ultimately will develop.

What are the true bases for a just and lasting peace, for the free development of each people which is the essential condition for the free development of all? They are tolerance and good-neighborliness, honest and voluntary cooperation by all nations for the good of all, equal justice under law for all nations, respect for the fundamental human rights and for the dignity and worth of man and the equality of all nations, large and small.

Implicit in these principles is abandonment by the Soviet Union of the concept of two hostile camps and acceptance of the concept of one world. In that one world there would continue to be, as always, diverse national cultural and political and social systems, but these would not exist in a perpetual state of nonshooting warfare.

The United States is prepared to do its full part to put these principles into practice. For example, if the Soviet Union were prepared to agree to real independence for the countries of Eastern Europe, President Eisenhower has made it clear that the United States would not seek military alliances with them, would not try in any way to turn them against the Soviet Union, and indeed would want them to have friendly relations with the Soviet Union.

President Eisenhower pointed out the right way in his address to the American people on December 23 last.[2] In contrast to the overtones of implacable struggle contained in peaceful coexistence, please listen to these ringing words of the President:

> Our concept of the good life for humanity does not require an inevitable conflict between peoples and systems, in which one must triumph over the other. Nor does it offer merely a bare coexistence as a satisfactory state for mankind. . . .
>
> We believe that history, the record of human living, is a great and broad stream into which should pour the richness and diversity of many cultures, from which emerge ideas and practices, ideals and purposes, valid for all. We believe each people of the human family, even the least in number and the most primitive, can contribute something to a developing world embracing all peoples, enhancing the good of all peoples.

Madam Chairman, that is the true American concept of the brotherhood of nations and peoples.

Forthcoming Negotiations

We are now in the course of what may prove long negotiations with the Soviet Union. The negotiations of the United Kingdom and the United States with the Soviet Union on the suspension of nuclear testing have been going on for well over a year. The disarmament negotiations which begin on March 15 may conceivably last for several years. The series of summit conferences proposed by Presidents Eisenhower and de Gaulle and Prime Minister Macmillan, and accepted by Chairman Khrushchev, may likewise continue for years.

There is nothing easy and nothing rapid in negotiations with the Soviet Union.

Three points, therefore, should constantly be kept in mind:

One is the need for patience and realism. We must not demand that our leaders rush quickly into agreements with Mr. Khrushchev simply for the sake of having agreements. We must not expect too much from each stage of negotiation. The issues that divide the two sides are hard and deep, the philosophies are wide apart.

The second is the need to preserve the unity of the free world. In these months of preparation

[2] BULLETIN of Jan. 18, 1960, p. 75.

for the East-West summit meeting, I venture to predict that we will be reading all sorts of reports about all sorts of conflicts among the Western allies—cleavages, differences, dissensions, splits, divisions, clashes, oppositions, breaches, ruptures, breakdowns, breakups, breakaparts, breakoffs, breakaways, and what have you. There are some more words I might think of, but I won't bore you with them; you will see them in the news reports. Conflict, or the mere suspicion of it, makes news more easily than agreement.

In the preparation of various important positions it is inevitable that different points of view will be expressed and urged. It is one of the strengths of the free world that its members can advance varying points of view in the process of reaching accord. At this time last year we were preparing for the East-West foreign ministers conference at Geneva, and there were innumerable stories concentrating on cleavages among the allies. But when the Western foreign ministers met in Paris 10 days before the opening of the Geneva conference, these differing points of view had been ironed out, or were ironed out by the ministers themselves, and the Western ministers went to Geneva with an agreed-upon forward-looking position, worked out in great detail. I predict the same thing will happen again.

A third point to keep in mind is that as we search for equitable solutions that will conduce to true peace we must maintain strong defenses. Weakness on our part will not serve the cause of peace or of freedom and justice. It will undermine our negotiating position and make agreement more difficult. Almost as bad would be an appearance of weakness leading to the Soviets' assumption that we were neglecting our military defenses. Until enforceable and properly safeguarded agreements are reached, the military capability of the United States and our allies must be kept at a manifestly adequate level.

Soviet "Disarmament" Announcement

At present the Soviet Union propaganda apparatus is engaged in a campaign to put across Chairman Khrushchev's announcement on January 14 that the Soviet Government intended to reduce its armed forces over the next 1 or 2 years by 1.2 million men. It should be remembered that in the same announcement Mr. Khrushchev declared that total Soviet armed might would not only *not* be diminished but, because of the develop ment and production of rockets, would in fac increase.

The Soviet so-called "disarmament" equatio therefore runs something like this: From 3.6 mil lion men, which they have now, deduct 1.2 millio while adding the equivalent in missile firepowe of, say, 1.5 million. The Soviet Government tell the rest of the world this is disarmament. It re assures its own people, and particularly the mili tary bureaucracy, that this is increased firepowe Everybody should be happy.

And then Soviet propaganda calls on othe states to reduce their armed forces in emulatio of the Soviet example. But it does not say t them, at the same time increase your overall mili tary might. And it blandly ignores the root o the whole problem, that it was Soviet actions ove the past 15 years which impelled the West to buil up its armed forces after it had disbanded th great forces with which World War II was fought

Role of Chinese Communists

Here I should like to add another word of cau tion. I very much fear that, in our concentratio of attention on the forthcoming summit confer ence with Chairman Khrushchev, we shall forge another part of the world where the issues likewis are hard and deep, where the dangers are con stant. I refer to the Far East.

Though there has been some lessening of ten sion as between Western nations and the Sovie Union, there has been no lessening of tensio which the Chinese Communists are continuing t maintain in Asia. The Chinese Communist ruler still breathe fire and fury, still keep American imprisoned, still refuse to renounce force as a instrument of policy, still reject the reunificatio of Korea, still exert their evil influence agains their neighbors, still portray the United State as their Enemy Number One—as they did eve before they came to power in 1949. The 95th meet ing between our Ambassador in Warsaw and th Chinese Communist Ambassador there took plac last week, and we are just as far apart as ever.

We gain the vivid impression that the Chines Communist rulers are reluctant to see Chairma Khrushchev engage in conversations with th Western leaders. They appear to fear he is weak ening in what they think should be a merciles fight against the free world. They seem to feel

ınd resent, that they are being left out of the ɔouncils of the great. But at the same time they nsist that the rest of the world accept their standards rather than the reverse.

Elsewhere in the Far East the situation has listinctly improved. The last decade has seen eal progress achieved in the Far East. There ıas been an awakening of Asian awareness to the eal dangers of the Communist threat. Commuıist China's own actions in Tibet and against ndia have vividly illustrated these dangers.

The independence and freedom of our Asian riends has been maintained through our individıal and collective security efforts. Our economic id programs are helping their peoples toward a etter material life. The new decade we have ust entered should see further progress in ecoıomic, social, and political endeavors to meet the asic aspirations of Asian nationalism.

Last week there occurred an event of profound ignificance to the Pacific area, Asia, and the orld—the signing of the treaty of mutual coperation and security between Japan and the Jnited States.[3] This treaty set the seal of friendhip upon the partnership for peace of the two ations. With the cooperation of the virile, inenious, forward-looking Japanese people, we can ok with greater confidence toward increased ability and economic betterment in the area.

Madam Chairman, this is the first month of a ew decade which should prove decisive for the ıture of the world. This initial year of the ecade promises to be an extraordinarily busy one, robably an augury of the whole decade. This ear should give us further evidences of the stounding benefits science can bring to mankind only good sense, restraint, tolerance, and conderation for others is manifest throughout the orld.

My own hunch is that we shall have peace. his can be the uncertain, unreal peace we have w, or it can be true peace with justice. We ıall never cease to assert that the former is not od enough for the men, women, and children ho inhabit this globe. We shall continue unasingly to work honorably for the latter. For is the only basis on which mankind can prosper ıd be truly happy.

[3] For text of the treaty, together with a communique d other related documents, see *ibid.*, Feb. 8, 1960, p. 179.

What we want and what the peoples of all the world want are much the same things. We want to construct a better world for our children, one in which they can live in security against war, privation, ignorance, and injustice. We want a world in which each nation can freely contribute its ideas and the benefit of its experience to others and can as freely draw upon the ideas and experiences of other nations. We want to cooperate with other peoples in building an international order in which each can realize its national ambitions without exploiting or threatening the well-being of others. Nations with different economic, political, and social systems, we believe, can work together fruitfully for common goals if they accept the principles of the U.N. Charter: tolerance for other nations' ways of life and voluntary cooperation for the good of all.

U.S. Restates Policy Toward Cuba

STATEMENT BY PRESIDENT EISENHOWER

White House press release dated January 26

Secretary Herter and I have been giving careful consideration to the problem of relations between the Governments of the United States and Cuba. Ambassador [Philip W.] Bonsal, who is currently in Washington, shared in our discussions. We have been, for many months, deeply concerned and perplexed at the steady deterioration of those relations,[1] reflected especially by recent public statements by Prime Minister Castro of Cuba as well as by statements in official publicity organs of the Cuban Government. These statements contain unwarranted attacks on our Government and on our leading officials. These attacks involve serious charges, none of which, however, has been the subject of formal representations by the Government of Cuba to our Government. We believe these charges to be totally unfounded.

We have prepared a restatement of our policy toward Cuba, a country with whose people the people of the United States have enjoyed and expect to continue to enjoy a firm and mutually beneficial friendship.

The United States Government adheres strictly

[1] For Department statements concerning U.S.–Cuba relations, see BULLETIN of Nov. 16, 1959, p. 715, and Feb. 1, 1960, p. 158.

to the policy of nonintervention in the domestic affairs of other countries, including Cuba. This policy is incorporated in our treaty commitments as a member of the Organization of American States.

Second, the United States Government has consistently endeavored to prevent illegal acts in territory under its jurisdiction directed against other governments. United States law enforcement agencies have been increasingly successful in the prevention of such acts. The United States record in this respect compares very favorably with that of Cuba, from whose territory a number of invasions directed against other countries have departed during the past year, in several cases attended with serious loss of life and property damage in the territory of those other countries. The United States authorities will continue to enforce United States laws, including those which reflect commitments under inter-American treaties, and hope that other governments will act similarly. Our Government has repeatedly indicated that it will welcome any information from the Cuban Government or from other governments regarding incidents occurring within their jurisdiction or notice which would be of assistance to our law enforcement agencies in this respect.

Third, the United States Government views with increasing concern the tendency of spokesmen of the Cuban Government, including Prime Minister Castro, to create the illusion of aggressive acts and conspiratorial activities aimed at the Cuban Government and attributed to United States officials or agencies. The promotion of unfounded illusions of this kind can hardly facilitate the development, in the real interest of the two peoples, of relations of understanding and confidence between their Governments. The United States Government regrets that its earnest efforts over the past year to establish a basis for such understanding and confidence have not been reciprocated.

Fourth, the United States Government, of course, recognizes the right of the Cuban Government and people in the exercise of their national sovereignty to undertake those social, economic, and political reforms which, with due regard for their obligations under international law, they may think desirable. This position has frequently been stated, and it reflects a real understanding of and sympathy with the ideals and aspirations of the Cuban people. Similarly, the United States Government and people will continue to assert and to defend, in the exercise of their own sovereignty, their legitimate interests.

Fifth, the United States Government believes that its citizens have made constructive contributions to the economies of other countries by means of their investments and their work in those countries and that such contributions, taking into account changing conditions, can continue on a mutually satisfactory basis. The United States Government will continue to bring to the attention of the Cuban Government any instances in which the rights of its citizens under Cuban law and under international law have been disregarded and in which redress under Cuban law is apparently unavailable or denied. In this connection it is the hope of the United States Government that differences of opinion between the two Governments in matters recognized under international law as subject to diplomatic negotiations will be resolved through such negotiations. In the event that disagreements between the two Governments concerning this matter should persist, it would be the intention of the United States Government to seek solutions through other appropriate international procedures.

The above points seem to me to furnish reasonable bases for a workable and satisfactory relationship between our two sovereign countries. I should like only to add that the United States Government has confidence in the ability of the Cuban people to recognize and defeat the intrigues of international communism which are aimed at destroying democratic institutions in Cuba and the traditional and mutually beneficial friendship between the Cuban and American peoples.

STATEMENT BY AMBASSADOR BONSAL[2]

I am proceeding to Washington for consultations with the Secretary of State and officers of the Department on our relations with the Government of Cuba. I do not know how long I will be in Washington. As you know, I was here earlier this month for the same purpose. My second trip in a very few weeks is due to the

[2] Made at Idlewild Airport, New York, N.Y., on Jan. 2[illegible] (press release 36 dated Jan. 25).

highly regrettable deterioration of the relations between our Government and the Government of Cuba. Recent public statements by the Prime Minister of Cuba, Dr. Fidel Castro, and statements in official publicity organs of the Cuban Government have contained unwarranted attacks on our Government and on our leading officials, including the Vice President and the Secretary of State. The situation created by those attacks will be the topic of my consultations in Washington.

However, in these consultations I will bear constantly in mind the traditional and very lively friendship and affection which exist between the Cuban and American peoples. During my year in Cuba I have had, in my capacity as a representative of the United States Government, many heartening evidences of that friendship and of its indestructibility.

I will also, in these consultations, be mindful of and sympathetic with the legitimate ideals and aspirations of the Cuban people and of their desire for improved living conditions. I believe that those aspirations and ideals are similar to our own and that the people of Cuba, like our own, have faith in the methods of democracy for their achievement.

I believe furthermore that steady social and economic progress in Cuba is not inconsistent with a due regard for the rights of private American interests there, since those interests have, generally speaking, made highly constructive contributions to the island's economy.

United States–Soviet Lend-Lease Talks Discontinued

DEPARTMENT STATEMENT

Press release 42 dated January 27

A profound difference of opinion has become apparent between the Soviet and U.S. Governments concerning the terms of reference of the negotiations which began January 11, 1960, on the unsettled Soviet lend-lease account. Following the conversations at Camp David,[1] it had been the understanding of the U.S. Government that these negotiations were to deal with the lend-lease settlement as a separate and independent problem. In conformity with this understanding the United States Ambassador to the Soviet Union [Llewellyn E. Thompson] sent a note to the Soviet Minister of Foreign Affairs on December 7, 1959, in which, after referring to "the September meetings between President Eisenhower and Chairman of the Council of Ministers of the U.S.S.R., N. S. Khrushchev, at which time the Chairman agreed to a resumption of negotiations for a settlement of lend-lease," it was proposed that such negotiations begin in Washington on January 11, 1960.

In his reply of December 22, 1959, Mr. [Andrei A.] Gromyko appeared to confirm this understanding by stating that the Soviet Government "is prepared to begin negotiations in Washington on January 11, 1960 for settling the question of Lend-Lease" and by making no reference to any other subject of negotiation in this connection. However, when the negotiations actually began on January 11, 1960, it was the position of the Soviet Government that a lend-lease settlement could not be considered as a separate and independent problem but that any settlement of this question would have to be accompanied by the simultaneous conclusion of a trade agreement giving most-favored-nation treatment to the Soviet Union and the extension of long-term credits on acceptable terms to the Soviet Union. Charles E. Bohlen, Special Assistant to the Secretary of State, who has represented the U.S. in these negotiations, explained during their course why the U.S. Government is not in a position at this time to negotiate on either of these subjects.

In explaining the U.S. position and in conformity with the discussions at Camp David, Mr. Bohlen made it plain that a satisfactory lend-lease settlement was an essential prerequisite before the executive branch could take up with Congress the possibility of removing some of the existing legislative restrictions which have an effect upon Soviet–U.S. trade.

The current Soviet position that a lend-lease settlement must be accompanied by simultaneous conclusion of a trade agreement and the extension of long-term credits, nevertheless, has remained unchanged.

In addition this position was further reaffirmed in most definite form by Mr. Gromyko, the Soviet Minister of Foreign Affairs, in a conversation on January 19 with Ambassador Thompson in Mos-

[1] For text of a joint communique released at the conclusion of talks between Premier Khrushchev and President Eisenhower at Camp David, Md., see BULLETIN of Oct. 12, 1959, p. 499.

cow. In view of the absence of agreement between the two Governments concerning the terms of reference of these negotiations, there would appear to be no common ground for their continuance at this time.

The U.S. Government, however, is prepared to resume negotiations for a lend-lease settlement at any time that the Soviet Government is prepared to negotiate on this as a separate and independent question.

NOTES SETTING UP NEGOTIATIONS

U.S. Note of December 7

AMERICAN EMBASSY, *Moscow, December 7, 1959*

EXCELLENCY: I have the honor to refer to the September meetings between President Eisenhower and Chairman of the Council of Ministers of the U.S.S.R., N. S. Khrushchev, at which time the Chairman agreed to a resumption of negotiations for a settlement of lend-lease.

I am instructed to state that the Government of the United States is prepared to undertake such negotiations, and proposes that they begin in Washington on January 11, 1960. Ambassador Charles E. Bohlen will conduct the negotiations for the United States.

A reply at the early convenience of the Government of the Union of Soviet Socialist Republics as to whether it is agreeable to this proposal, and as to whom it will designate to conduct the negotiations for its side, would be appreciated.

Accept, Excellency, the renewed assurances of my highest consideration.

LLEWELLYN E. THOMPSON

His Excellency
ANDREI A. GROMYKO
Minister of Foreign Affairs
of the Union of Soviet Socialist Republics

Soviet Reply of December 22

Unofficial translation

MOSCOW, *22 December 1959*

MR. AMBASSADOR: In acknowledging receipt of your note of December 7, 1959, I have the honor to state that the Government of the Union of Soviet Socialist Republics is prepared to begin negotiations in Washington on January 11, 1960 for settling the question of Lend-Lease. The representative of the Soviet Union at these negotiations will be M. A. Menshikov, Soviet Ambassador Extraordinary and Plenipotentiary in the United States.

I beg you to accept, Mr. Ambassador, the assurances of my high esteem.

A. GROMYKO

His Excellency
MR. LLEWELLYN E. THOMPSON,
Ambassador Extraordinary and Plenipotentiary of the
United States of America

The Rural Community in a Worldwide Setting

by Robert H. Thayer [1]

I am going to ask you to concentrate your special strength, your initiative, your enthusiasm, and your energy to the job that I believe is the most important job in the world today—important for you and for me and for our children and grandchildren and all who come after them.

It is the job of establishing international mutual understanding between the people of America and the peoples of the new, sensitive areas of the world. If that job can be done and done well, there can be lasting peace in the world and peace with justice, freedom, and dignity for the individual. Since I spent 2½ years in the Communist-dictated country of Rumania,[2] I know only too well that peace without justice, freedom, and dignity for the individual is not peace at all and that a life under such a peace is not worth living.

What does international mutual understanding mean? It isn't complicated; it is very simple. It means getting to know people from foreign lands, the way they live, the way they dress, what they eat, what they do, the things they produce and how they produce them, and the way they think and how they express their thoughts in words or song or story. It means finding out what makes them tick and helping them to learn what makes you tick. It means recognizing that people from foreign lands have different ways of doing things and because their ways are different from yours doesn't mean that they are wrong. What may be wrong for you may be right for them and vice versa. Their customs, their reactions, their likes and dislikes won't be the same as yours; but blood runs in their veins, they are happy or sad, they laugh or they cry, they are bold or afraid, exactly as you and I are. And since they are human beings like you and me, they are perfectly understandable to you and me and perfectly capable of understanding you or me. And let me emphasize this point. Mutual understanding does

[1] Address made before Ruritan National at Louisville, Ky., on Jan. 25 (press release 33). Mr. Thayer is Special Assistant to the Secretary of State for the Coordination of International Educational and Cultural Relations.

[2] Mr. Thayer was American Minister to Rumania from August 1955 to December 1957.

not have to be mutual liking or mutual admiration. You need not like or admire someone to understand him. If you understand someone you dislike, you can adjust yourself to him, but dislike coupled with lack of understanding leads to situations that bring on the danger of clashes and incidents which lead to war.

I wish we could do away with the word "foreigner" or even the word "foreign" when we speak of people from other lands. There are many meanings of the word "foreign" if you look it up in the dictionary, many of them perfectly appropriate, but I am afraid we tend to think of the harsher meanings of the word, such as alien in character, not appropriate, outlandish, remote—like having a foreign body in your eye. It is curious how perfectly harmless words can gradually take on a connotation that was never intended. A foreigner is simply someone who comes from a land other than one's own; a foreigner is not someone who is strange or undesirable or even so terribly different once mutual understanding is established. But unfortunately we Americans, after years of isolation, tend to approach foreigners with a chip on our shoulders. There is a psychological bloc that we must and can overcome which handicaps us in our relations with other people.

Crusade for Mutual Understanding

Why am I asking for *your* help particularly in this situation? Did you know that two-thirds of the world's population live in small towns, villages, and rural communities? And the percentage is even higher in those sensitive areas of the world where new nations are springing into being and groping with the problems which freedom and sovereignty bring. The principal objective of all these people is exactly the same as the objective of Ruritan—to make their small towns, villages, and rural communities better places in which to live.

You here have an unusual cultural affinity with similar peoples in these sensitive areas, and as a result you have an unusual opportunity and, as citizens of the United States, an unusual responsibility. You are better equipped by background, experience, and temperament born of your environment to establish mutual understanding between the peoples of America and the peoples of these nations than anyone else in this country. This means that you can make a very powerful contribution to the maintenance in the world of peace with justice, freedom, and individual dignity if you have the inclination and the will to do so. You can do so by enlisting in this crusade that I, on behalf of the Government of the United States, am urging all American citizens to join—a crusade not to jam the American way of life down the throats of the peoples of these new countries, but a crusade to make it possible for these peoples to understand the peoples of America and from that understanding to reap the benefits of our experience as pioneers in solving some of the very same problems with which they are faced as new nations.

It wasn't so very long ago that we began in America to suffer the pangs of the birth of a new nation, to learn how to conquer the wilderness and arid lands to feed our growing population, and to build our small towns and villages. From this experience, which, I think, no one can deny has been pretty successful, can we not help others who are on the threshold of this same experience? Of course we can. But we can only do it if we first establish mutual understanding so that we shall know these people well enough to be able to help them in a way which they won't misinterpret as being patronizing, or as imposing our will upon them, or as attempting to take them over, and so that they will know us for what we, as Americans, really are and not as the international Communists would have them believe we are.

I remember not so long ago standing outside my hotel in the city of Cluj in Rumania, a city which used to have a fine university—it still is a university town—and I was surrounded by a great mass of young people from the university, who always crowded around the car with the American flag on it and plied us with questions about America. After one of them had cross-examined me about university life in this country, I said to him, "Come on over and see what America is really like." He replied quickly, "Oh, I couldn't. I don't want to join the millions of starving unemployed in America." It was Hitler's man Goebbels who first found that if you use the lie often and long enough it begins to be believed. International communism is still following this procedure.

Fifty-eight years ago, shortly after the turn of

the century, an American Protestant minister named John House was serving as a missionary in Greece in a rural area near the city of Salonika. Like most missionaries, the Reverend House was a teacher as well as a clergyman. What impressed John House most about his students was their extreme poverty and the great difficulty their farm families were having in trying to conquer an almost barren soil.

John House borrowed money, purchased 50 acres of land in Greece, and started a school for the purpose of helping his students in their farming problems. His students learned and returned to their villages to teach others. Thus was established the American Farm School of Salonika, a permanent link between rural America and rural Greece.

Each year 500 youngsters from villages throughout Greece come to the American Farm School for training in the operations of a rural community. These young farmers are as much pioneers as were the American frontiersmen who battled their way west during the 19th century, and they are learning some of the lessons learned by American pioneers. At the American Farm School the future leaders of rural Greece are as much the inheritors of the democratic ideals and rugged individualism of the American pioneers as are all of us here tonight.

This is the type of activity that can serve as a basis for building solid ties of international understanding which no Communist ideology or totalitarian demagog will be able to sever. I know that rural America, represented by you here tonight, can lead the way in identifying the United States with the aspirations and needs of the people in rural areas throughout the world, and that is why I need your help.

Opportunities for Cultural Diplomacy

What have I, in my position as head of the Bureau of International Cultural Relations, to do with all of this, and where does the Government come in? The United States takes a leading part in the opening of communications between the people of this country and the peoples of other countries, so that they can get to know each other and respect each other's accomplishments and problems in every aspect of their lives and contribute from each other's knowledge and experience to the building of a better community.

The peoples of Africa, Asia, and Latin America would like to profit from our experience in their forward march. But they are not going to follow blindly the example provided by rural America, even though that example during the development of our country during the past 200 years is a magnificent one. Our experience was the result of the combination of traditional ideas of democracy, individual dignity, and basic faith in religion, mixed in proper proportions with a genius for innovation and an inexhaustible capacity for modernization. But we should recognize the fact that mutual understanding must be established first, before anyone is going to be willing to profit by our experience.

My job is to open up opportunities for this understanding through what I have been calling "cultural diplomacy." What is cultural diplomacy? It is the process of communicating the culture of one people to another people so as to bring about complete mutual understanding. It is the concentrated use of our cultural and educational resources in the field of foreign affairs for the development of that social environment which will make for enduring peace and the political common good of mankind. It is a job that cannot be accomplished by the State Department or any other agency alone. It is a job that demands the wholehearted and active participation of Americans in every area and walk of life.

Government Activities and Private Initiative

Let me show you how your Government is taking action in the development of understanding between Americans and the peoples of other countries and how you can take the initiative in this field.

In the State Department's Bureau of International Cultural Relations, which I head, we spend well over $30 million a year in carrying out a variety of exchange programs. The biggest one is the International Educational Exchange Program, which many Americans know in terms of the Fulbright and Smith-Mundt scholarships that are awarded to students, teachers, and college professors. More than 65,000 alumni of this program in the United States and abroad are helping to enlighten their fellow citizens about foreign cultures.

During the past 2 years we have made special arrangements to extend our cultural and educational exchange programs to the Soviet-bloc coun-

tries of Eastern Europe. Last November the Soviet Union and the United States agreed to extend this program for another 2 years and to expand cooperative efforts in a variety of cultural and scientific fields.[3]

Under the President's Special International Program for Cultural Presentations we assist the foreign appearances of American orchestras, dance groups, theater societies, athletic organizations, and other cultural attractions. In cooperation with the United States National Commission for UNESCO we help carry out the cultural programs of the United Nations Educational, Scientific and Cultural Organization.

In all of these activities Americans, whether they be students, teachers, college professors, musicians, actors, ballet dancers, or whatever else, come face to face with the people of other lands—either here or abroad—and through personal contact are able to establish the kind of relationship between human beings that alone can lay the bond of real mutual understanding.

What specifically can you do to help in this work? You are already doing a great deal. I congratulate Ruritan on its planned hospitality program for foreign visitors during 1960. I congratulate rural America for such successful programs as the International Farm Youth Exchange, the overseas programs of the Future Farmers of America, the "Farmer-to-Farmer Program" of Farmers and World Affairs, and the rural development programs of 24 American land-grant colleges. I think it significant that the counterpart of 4–H Club work in the United States has been established in 33 countries with 20,000 clubs for 625,000 boys and girls.

The basic ideals behind agricultural extension work, vocational schools, and land-grant colleges have permeated and taken root in rural areas from Viet-Nam to Turkey. I attribute these developments in a large measure to the excellent way in which rural America has taken to its heart the tens of thousands of foreign citizens who have come to the United States to be trained in the leadership of rural communities and to the enthusiasm with which our experts in rural organization have gone abroad to demonstrate the techniques and communicate the ideals that have made America so strong at the "grass roots."

Developing a Universal Consciousness

I have something very simple to ask you to do. I want you to make up your minds tonight that you will bring up your children to speak at least one, if not two, languages other than our own; that you will bring them up to think it just as important to know intimately and to understand people from lands as far away as Asia as it is to know the family that lives next door. For with the jet age your next-door neighbor is not going to be a Kentuckian; your next-door neighbor is going to be from Asia and Africa and the Middle East.

Our children must learn to speak foreign languages in their schools, and we need more people who are able to speak the nonwestern languages like Hindi, Swahili, and Arabic. We need to develop a universal consciousness of other cultures that will bring Djakarta and Algeria as close to us as Wakefield, Virginia, and Washington, D.C. We need a large corps of trained students, businessmen, government workers, labor leaders, agricultural experts, and professional people who will be as much at home in Kabul, Afghanistan, and Santiago, Chile, as they are in Boonsboro, Maryland, or Ames, Iowa.

In short, we must place our communities in the context of a worldwide setting and modify our institutions accordingly.

I would like to see our elementary and high school children giving oral presentations in foreign languages as fluently as they do in English. I would like to see subjects like pan-Africanism and the European Common Market become as much a part of our lives as recreation centers and county fairs. I would like to see our local newspapers carry more news and feature stories about life in Latin America and southeast Asia.

I think all of us should strive to add world citizenship to our basic responsibilities of citizenship in our Nation, States, and local communities.

I know that the broadening of our horizons from our immediate environments to areas thousands of miles away will not be easy to accomplish. I know some people who would not be very comfortable in going from New Jersey to Nebraska or from Tennessee to Oregon, much less in trying to comprehend the social customs, religions, and ways of life of people in Morocco or Mozambique.

[3] For text of a joint communique issued at the conclusion of negotiations, see BULLETIN of Dec. 7, 1959, p. 848; for text of cultural agreement, see *ibid.*, Dec. 28, 1959, p. 951.

But this is both a jet age and an age of world leadership for the United States. We need to exercise that leadership with skill, boldness, and compassion. Our greatest asset for that task is our people—people who have the basic traditions and pioneer spirit to conquer new frontiers.

The job of perfecting communications between peoples is our big frontier as we enter the exciting decade of the 1960's. It is a frontier not only for rural America but for urban America and exurban America as well.

I urge you to discuss ways and means of establishing more extensive contacts with foreign communities. As community leaders you should examine your schools to see if they are training your children for world leadership and citizenship. Add world affairs to the discussions at your monthly Ruritan meetings. Bring your communities into the international picture.

If you will join this crusade of cultural diplomacy we will succeed in breaking down the purely psychological and artificial barriers that keep Americans and peoples of other lands apart, and we will create a climate where it is going to be possible for the wealth of our experience and success in the building of our new nation to contribute to the building of the multitude of new nations springing to life in the less developed areas of the world. And the most valuable part of this contribution will be the knowledge of how to build a nation with justice, freedom, and dignity for the individual.

Nations Invited To Participate in 1964 New York World's Fair

Press release 31 dated January 22

Department Announcement

The Department of State, on January 21, 1960, sent to the diplomatic corps in Washington, D.C., a diplomatic note from the Secretary of State enclosing an invitation from Robert F. Wagner, Mayor of the City of New York, to take an active part in the 1964 World's Fair to be held at New York City in that year in celebration of the tercentenary anniversary of the City of New York.

The 1964 World's Fair at New York has adopted as its theme "Peace Through Understanding" and is sponsored as an event of primary international significance. Although held under private auspices, it enjoys the support and cooperation of the Governments of the State of New York and the City of New York, as well as prominent business, civic, industrial, trade, and labor organizations having national and international ties of great importance.

The selection of the City of New York as the location for the 1964 World's Fair was recommended by a Presidential commission in a report approved by the President on October 29, 1959.

For these reasons, and also because 1964 will mark the 15th anniversary of New York as the permanent home of the United Nations, the Department of State favors the holding of such an important international exposition and hopes that as many nations as possible will be represented at the 1964 World's Fair at New York.

The general regulations of the New York World's Fair will be made available at the earliest opportunity. Correspondence and inquiries concerning the New York World's Fair should be addressed to the New York World's Fair 1964 Corporation, Empire State Building, New York 1, N.Y.

Text of Invitation

Dear Mr. Ambassador: I have the honor to extend to your government a formal invitation to participate in a World's Fair to be held in the City of New York to celebrate its Tercentenary Anniversary in the year 1964.

The holding of this Fair has been approved by the President of the United States on the recommendation of a Special Presidential Commission appointed by him which, under date of October 29, 1959, recommended to the President of the United States that the holding of an international exposition of the first category in the City of New York in 1964 should be supported by the Federal Government and which Commission further recommended that "New York City, of all American cities, is best qualified to accomplish the monumental effort required."

The President of the United States also approved the recommendations of the Presidential Commission to assist in obtaining maximum participation by foreign nations in the New York City 1964 World's Fair.

I would like to express our sincere wish that the commercial, industrial and trade organizations in your country might also exhibit at the "1964 New York World's Fair" and that your government will assist them in arranging for their participation.

This "1964 New York World's Fair" has taken for its theme, the significant words, "Peace Through Understanding" and it is our hope that the exhibitors, both governmental and private, will demonstrate to the mil

lions of visitors to the Fair, the interdependence of all nations and people to the end that through this "1964 New York World's Fair", all who visit it will carry away with them a deeper understanding of each of the nations of the world—an understanding that will help to promote that peace sought by all peoples everywhere.

The occasion for this Fair, our Tercentenary Anniversary, enables me to call to your attention the close ties between New York City and the nations of the world. In these 300 years, through our City have come millions of immigrants, who have brought to this nation the culture and national backgrounds of every nation on earth. These immigrants, by their later citizenship in the United States have created ties with all nations that have and will ever be a major influence in the mutual good-will between our great country and yours. Our great city has been the host to the leaders of other nations, and time and time again has, we hope, supplied living proof that peoples of many national origins, race, color and creed can live together in peace and harmony.

I believe that the "1964 New York World's Fair" to be held in honor of this Anniversary will truly be an event of international importance. In 1964, it will have been 25 years since last the nations of the world met in our city to exchange cultural, commercial and industrial ideas. Then we called that World Fair, "The World of Tomorrow". When one considers the strides that have been made since that time, the new discoveries and industries that were then undreamed of—atomic power, television, cybernetics—it is not difficult to picture the wonders that this "1964 New York World's Fair" will reveal.

The City of New York is, I believe, a most desirable place for the holding of this World's Fair. The site of the previous Fair held in the United States in the year 1939 is admirably adapted and has been made available for the "1964 New York World's Fair". This location, at Flushing Meadow, was originally prepared at a cost in excess of $26,000,000.00—and has been preserved as a Park during the years since 1939. In addition since the establishment of the United Nations Headquarters in New York City, our city has become increasingly important in international affairs; and is, we hope you will agree, the leading center of trade and commerce in the world today. It is the largest city on this Continent and possesses more facilities for housing, transporting, feeding and entertaining visitors than any other city in the United States.

This Fair has the full support of all segments of business, industry and culture of the City and State and the Governor of the State of New York, the Honorable Nelson A. Rockefeller, has pledged the full support of the State of New York to this exposition and has joined in our request that the Federal Government transmit this invitation to your Government.

Detailed information about the "1964 New York World's Fair" will be communicated to you by the Fair's management.

Most respectfully,

ROBERT F. WAGNER
Mayor

Views Invited on GATT Relations With Tunisia and Poland

Press release 51 dated January 29

DEPARTMENT ANNOUNCEMENT

As a result of public notices issued on January 29 by the Trade Agreements Committee and the Committee for Reciprocity Information, public views are requested regarding the provisional accession of Tunisia to the General Agreement on Tariffs and Trade (GATT) and regarding a relationship between Poland and the Contracting Parties to the GATT closer than that afforded by the observer status which that country now has.

The General Agreement on Tariffs and Trade is a multilateral trade agreement containing schedules of tariff concessions and general provisions designed to facilitate the expansion of trade on a multilateral nondiscriminatory basis. Thirty-seven countries, including the United States, are contracting parties to the GATT and several others participate in its work on a limited basis.

The Government of Tunisia has expressed its readiness to enter into tariff negotiations with a view to acceding to the GATT. Under the arrangements which have been proposed for Tunisia's provisional accession to the GATT, these negotiations would take place during the GATT tariff conference which will convene at Geneva in September of 1960. Pending the conclusion of these negotiations, it is proposed that Tunisia accede provisionally to the GATT, applying the provisions of the GATT to contracting parties to that agreement which formally accept these arrangements, but Tunisia would not undertake obligations with respect to tariff concessions. In return such contracting parties would apply to Tunisia the provisions of the agreement other than those which accord direct rights to their schedules of tariff concessions. Tunisia will also participate on a limited basis in the work of the Contracting Parties to the GATT.

The arrangements for the provisional accession of Tunisia would not involve the modification of any United States tariff rates or the addition of any new articles to any existing schedule of United States duty concessions. The United States has no bilateral trade agreement with Tunisia.

At the invitation of the Contracting Parties, Poland has been represented by an observer at meetings of the Contracting Parties since their 12th session (October–November 1957). Recently Poland and the Contracting Parties have had under consideration the means of achieving a closer relationship. The arrangements which have been developed would record the desire of Poland and contracting parties which formally accept these arrangements to expand their trade with each other. They provide that Poland would undertake promptly to make public certain information such as laws, regulations, and statistics relating to trade. Provision would be made for the bilateral adjustment of questions arising out of the arrangements and for an annual review by the Contracting Parties to the General Agreement of the implementation of the arrangements. Poland would participate, without a vote, in the work of the Contracting Parties.

The United States has no bilateral trade agreement with Poland. The proposed arrangements would not require the granting of most-favored-nation treatment to trade with Poland and would not involve the granting of new concessions in any United States tariff rates or the extension to Poland of any rights to any existing United States tariff concessions.

Interested persons may express views regarding any aspect of the participation of the United States in these arrangements with respect to Tunisia and Poland. Such views will be carefully considered before a final decision is reached as to the United States position with regard to these arrangements.

Written views should be submitted to the Committee for Reciprocity Information, the interdepartmental committee which receives views concerning trade agreement matters, by February 29, 1960, and public hearings by the Committee will open on March 15, 1960. Requests for appearances at the hearings, which may be made only by persons filing written briefs, may be sent to the Chairman, Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D.C.

Copies of the notices by the Trade Agreements Committee and the Committee for Reciprocity Information and of the arrangements under consideration for Tunisia and Poland are attached.

NOTICE OF PUBLIC HEARINGS

COMMITTEE FOR RECIPROCITY INFORMATION

General Agreement on Tariffs and Trade: Provisional Accession of Tunisia; Relations With Poland

Submission of Information to the Committee for Reciprocity Information

Closing date for Applications to Appear at Hearing February 29, 1960

Closing date for Submission of Briefs February 29, 1960

Public Hearings Open March 15, 1960

The Interdepartmental Committee on Trade Agreements has issued on this day a notice of intention to consider participating in arrangements, not involving the conduct of tariff negotiations, for the provisional accession of Tunisia to the General Agreement on Tariffs and Trade and for accomplishing relations with Poland under the General Agreement closer than the observer status now applicable to that country.

Pursuant to paragraph 5 of Executive Order 10082 of October 5, 1949, as amended (3 CFR, 1949–1953 Comp., pp. 281, 355), the Committee for Reciprocity Information hereby gives notice that all applications for oral presentation of views in regard to any aspect of the foregoing proposals shall be submitted to the Committee for Reciprocity Information not later than February 29, 1960. The application must indicate an estimate of the time required for oral presentation. Written statements shall be submitted not later than February 29, 1960. Such communications shall be addressed to "Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D.C." Fifteen copies of written statements, either typed, printed, or duplicated, shall be submitted, of which one copy shall be sworn to.

Written statements submitted to the Committee, except information and business data proffered in confidence, shall be open to inspection by interested persons. Information and business data proffered in confidence shall be submitted on separate pages clearly marked "For Official Use Only of the Committee for Reciprocity Information".

Public hearings will be held before the Committee for Reciprocity Information, at which oral statements will be heard, beginning at 10:00 a.m. on March 15, 1960 in the Hearing Room in the Tariff Commission Building, Eighth and E Streets, N.W., Washington, D.C. Witnesses who make application to be heard will be advised regarding the time and place of their individual appearances. Appearances at hearings before the Committee may be made only by or on behalf of those persons who have filed written statements and who have within the time prescribed made written application for oral presentation of views. Statements made at the public hearings shall be under oath.

Copies of the notice issued today by the Interdepartmental Committee on Trade Agreements may be obtained from the Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D.C., and may be inspected at the Field Offices of the Department of Commerce.

By direction of the Committee for Reciprocity Information this 29th day of January, 1960.

EDWARD YARDLEY
Secretary
Committee for Reciprocity Information

NOTICE OF INTENTION TO PARTICIPATE IN PROPOSED ARRANGEMENTS

INTERDEPARTMENTAL COMMITTEE ON TRADE AGREEMENTS

GENERAL AGREEMENT ON TARIFFS AND TRADE: PROVISIONAL ACCESSION OF TUNISIA; RELATIONS WITH POLAND

Pursuant to section 4 of the Trade Agreements Act approved June 12, 1934, as amended (43 Stat. 945, ch. 474; 65 Stat. 73, ch. 141), and to paragraph 4 of Executive Order 10082 of October 5, 1949, as amended (3 CFR, 1949–1953 Comp., pp. 281, 355), notice is hereby given by the Interdepartmental Committee on Trade Agreements of intention to consider arrangements, not involving the conduct of tariff negotiations, for the provisional accession of Tunisia to the General Agreement on Tariffs and Trade, and for accomplishing a relationship with Poland under the General Agreement closer than the observer status now applicable to that country.

1. *Tunisia.* Under the arrangements for the provisional accession of Tunisia that country would apply the provisions of the General Agreement to contracting parties to that Agreement which formally accept these arrangements. Tunisia would not undertake obligations with respect to tariff concessions. In return such contracting parties would apply to Tunisia the provisions of the Agreement other than those which accord direct rights to their schedules containing tariff concessions. The United States has no bilateral trade agreement with Tunisia.

2. *Poland.* The arrangements with respect to Poland would record the desire of Poland and of contracting parties to the General Agreement which formally accept these arrangements to expand their trade with each other. They provide that Poland would undertake promptly to make public certain information such as laws, regulations, and statistics relating to trade. Provision would be made for the bilateral adjustment of questions arising out of these arrangements and for an annual review by the Contracting Parties to the General Agreement of the implementation of the arrangements. Poland would participate, without a vote, in the work of the Contracting Parties.

The proposals with respect to neither of these two countries would involve the modification of any United States tariff rates or the addition of any new articles imported into the United States to any existing schedule of United States tariff concessions.

Pursuant to section 4 of the Trade Agreements Act, as amended, and paragraph 5 of Executive Order 10082, as amended, information and views as to any aspect of the proposals announced by this notice may be submitted to the Committee for Reciprocity Information in accordance with the announcement of this date issued by that Committee.

By direction of the Interdepartmental Committee on Trade Agreements, this 29th day of January, 1960.

JOHN A. BIRCH
Chairman
Interdepartmental Committee on Trade Agreements

TEXTS OF DECLARATIONS

Tunisia

DECLARATION ON THE PROVISIONAL ACCESSION OF TUNISIA TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE

The Government of Tunisia and the other governments on behalf of which this Declaration has been accepted (the latter governments hereinafter referred to as the "participating governments");

Considering that the Government of Tunisia on 4 November 1959 made a formal request to accede to the General Agreement on Tariffs and Trade (hereinafter referred to as the "General Agreement") in accordance with the provisions of Article XXXIII of the General Agreement; and

Having regard to the desire of many contracting parties to the General Agreement to conduct the tariff negotiations with Tunisia, which it is considered should precede accession under Article XXXIII, during the tariff conference to be held in 1960 and 1961, arrangements for which are being made by the CONTRACTING PARTIES to the General Agreement (hereinafter referred to as the "CONTRACTING PARTIES"):

1. *Declare* that, pending the accession of Tunisia under the provisions of Article XXXIII, following the conclusion of tariff negotiations with contracting parties to the General Agreement, the commercial relations between the participating governments and Tunisia shall be based upon the General Agreement as if the provisions of the model protocol of accession approved by the CONTRACTING PARTIES on 23 October 1951, were embodied in this Declaration, except that Tunisia shall not have any direct rights with respect to the concessions contained in the schedules annexed to the General Agreement either under the provisions of Article II or under the provisions of any other Article of the General Agreement.

2. *Request* the CONTRACTING PARTIES to perform such functions as are necessary for the operation of this Declaration.

3. This Declaration, which has been approved by the CONTRACTING PARTIES by a two-thirds majority, shall be opened for acceptance, by signature or otherwise, by Tunisia, by contracting parties to the General Agreement, and by any governments which accede provisionally to the General Agreement.

4. This Declaration shall be deposited with the Executive Secretary of the CONTRACTING PARTIES to the General Agreement.

5. The Executive Secretary of the CONTRACTING PARTIES to the General Agreement shall promptly furnish a certified copy of this Declaration, and a notification of each acceptance thereof, to each government to which this declaration is open for acceptance.

6. This Declaration shall become effective between Tunisia and any participating government on the thirtieth day following the day upon which it shall have been accepted on behalf of Tunisia and of that government; it shall remain in force until the Government of Tunisia accedes to the General Agreement under the provisions of Article XXXIII thereof or until 31 December 1961, whichever date is earlier, unless it has been agreed by Tunisia and the participating governments to extend its validity to a later date.

DONE at Tokyo this twelfth day of November one thousand nine hundred and fifty-nine, in a single copy in the English and French languages, both texts authentic.

Poland

DECLARATION ON RELATIONS BETWEEN CONTRACTING PARTIES TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE AND THE GOVERNMENT OF THE POLISH PEOPLE'S REPUBLIC

—A—

THE GOVERNMENT OF POLAND HEREBY DECLARES:

1. That, being guided by the objectives set out in the Preamble to the General Agreement on Tariffs and Trade (hereinafter referred to as the "General Agreement"), it desires to expand its trade with the other countries which are parties to this Declaration on the basis of mutual advantage in trading conditions and opportunities.

2. That it will give sympathetic consideration to any representations which may be addressed to it by any other party to this Declaration concerning the implementation of paragraph 1 above and will be prepared to enter into consultations with such party concerning its representations.

3. That, in line with the corresponding commitments accepted by the contracting parties in the General Agreement, it will make public promptly, in a manner as to enable governments and traders to become acquainted with them, laws, regulations, judicial decisions, administrative rulings and agreements of general application as well as statistics pertaining to trade. This provision shall not require the disclosure of confidential information which would impede law enforcement or otherwise be contrary to the public interest or prejudice the legitimate commercial interests of public or private enterprises.

4. That it will annually review with the CONTRACTING PARTIES to the General Agreement (hereinafter referred to as the "CONTRACTING PARTIES") the implementation of the above paragraphs.

—B—

THE PARTIES TO THIS DECLARATION, OTHER THAN POLAND, HEREBY DECLARE:

1. That, being guided by the objectives set out in the Preamble to the General Agreement, they desire to expand their trade with Poland on the basis of mutual advantage in trading conditions and opportunities.

2. That they will give sympathetic consideration to any representations which may be addressed to them by Poland concerning the implementation of paragraph 1 above and will be prepared to enter into consultations with Poland concerning such representations.

3. That they will annually review with Poland and the CONTRACTING PARTIES the implementation of the above paragraphs.

4. That they will request the CONTRACTING PARTIES:

(a) To take note of this Declaration;

(b) To invite the Government of Poland to take part in the work of the CONTRACTING PARTIES;

(c) To undertake the functions set out in paragraph 4 of Part A and paragraph 3 above.

—C—

1. This Declaration shall be open for acceptance, by signature or otherwise by Poland, by contracting parties to the General Agreement and by any governments which have acceded or may accede provisionally to the General Agreement.

2. This Declaration shall enter into force when it has been accepted by Poland and by two thirds of the contracting parties to the General Agreement.

—D—

The Government of Poland or any other party to this Declaration shall be free to withdraw from this arrangement upon written notice being given to the Executive Secretary of the CONTRACTING PARTIES:

(a) If Poland should withdraw from this arrangement, the Declaration shall lapse and any arrangements made by the CONTRACTING PARTIES shall cease to be valid;

(b) If a party to this Declaration other than Poland should withdraw from this arrangement the sole effect of such withdrawal shall be to terminate the application of this Declaration as between Poland and the party concerned, as long as a majority of the contracting parties remain parties to this arrangement.

—E—

1. This Declaration shall be deposited with the Executive Secretary of the CONTRACTING PARTIES.

2. The Executive Secretary of the CONTRACTING PARTIES shall promptly furnish a certified copy of this Declaration, and a notification of each acceptance thereof, to each government to which this Declaration is open for acceptance.

DONE at Tokyo, this ninth day of November, one thousand nine hundred and fifty-nine, in a single copy, in the English and French languages, both texts authentic.

Italy, Portugal, and U.K. Relax Controls on Dollar-Area Imports

ITALY

Department Statement

Press release 37 dated January 25

The United States Government welcomes the announcement of the Italian Government that, effective January 15, some 200 additional commodities may be imported freely from the dollar area. This action represents a further step by Italy in the direction of the elimination of discriminatory and other quantitative import restrictions and thus toward the objectives and policies endorsed by the International Monetary Fund and the Contracting Parties to the General Agreement on Tariffs and Trade.

As a result of this recent move, Italian consumers will be able to buy United States goods whose importation has been curtailed for many years. Products freed from quota restrictions include: fresh or frozen fish and crustaceans, dried prunes, malt, alcoholic beverages (except wine and vermouth), sulphur products, tires, plywood, small agricultural tractors (larger tractors were liberalized earlier), cotton yarns, yarns of manmade fibers, tin products, razor blades, and X-ray equipment.

The action of the Italian Government is a significant move in the direction of placing United States exporters of an extensive list of products on an equal competitive basis in the Italian market with exporters of other countries. However, Italy will maintain discriminatory restrictions on a whole range of agricultural commodities. The United States Government hopes that Italy will make rapid progress in the elimination of the remaining quantitative import restrictions.

PORTUGAL

Department Statement

Press release 38 dated January 25

The United States Government welcomes the announcement of the Government of Portugal that, effective January 10, discrimination against imports from the dollar area has been removed on about 900 customs tariff items, covering a wide range of commodities. Although all imports into Portugal require prior authorization, imports of these commodities will now be licensed automatically.

As a result of this move, Portuguese consumers will be able to buy a number of United States products whose importation has been curtailed for many years. Products which can now be licensed freely from the United States include: motor vehicles, fertilizers, synthetic fiber yarns, plastic molding products, many textiles, many types of industrial machinery, radio and television receivers, and household equipment, such as sewing machines, refrigerators, and washing machines.

This action represents a significant step by the Government of Portugal toward the elimination of discriminatory and other quantitative import restrictions. With the exception of some agricultural commodities and a few industrial products, Portugal will now extend imports from the dollar area the same degree of automatic licensing as granted imports from members of the Organization for European Economic Cooperation. The United States Government hopes that Portugal will make rapid progress in removing remaining restrictions, which include some important agricultural products.

UNITED KINGDOM

Department Statement

Press release 47 dated January 29

The United States welcomes the announcement by the United Kingdom that, effective February 1, 1960, quantitative controls will be removed on imports from the dollar area of tobacco and tobacco manufactures (except cigars), and fresh and frozen fish, synthetic rubber, and transistors. The United Kingdom also plans to remove restrictions on remittances of American film earnings, which were previously limited to $17 million a year. In the announcement the United Kingdom also indicated its intention to make further progress in eliminating restrictions as soon as possible.

This announcement follows a similar announcement made November 4, 1959,[1] and is one of a

[1] BULLETIN of Nov. 30, 1959, p. 805.

series of trade liberalization measures taken by the United Kingdom over the past year which have given U.S. exporters substantially improved access to the British market. It further narrows the scope of special import controls applied to dollar products.

The United Kingdom will still apply discriminatory restrictions on a number of dollar commodities, including some important agricultural products. The United States hopes that further progress in eliminating these remaining restrictions will be rapid.

U.S.–Canadian Economic Committee To Meet at Washington

Press release 35 dated January 25

The Department of State announced on January 25 that the fifth meeting of the Joint United States–Canadian Committee on Trade and Economic Affairs will be held at Washington on February 16 and 17.

The Secretaries of State, the Treasury, Interior, Agriculture, and Commerce will represent the United States. The Canadian delegates will be the Secretary of State for External Affairs, the Minister of Finance, the Minister of Trade and Commerce, and the Minister of Agriculture.

The meeting will provide an opportunity for Cabinet-level officers of both Governments to review the general field of trade and economic relations between Canada and the United States. The last meeting of the Joint Committee on Trade and Economic Affairs was held at Ottawa on January 5–6, 1959.[1]

U.S. and Canada To Discuss Columbia River Development

The Department of State announced on January 25 (press release 32) the appointment of the U.S. delegation which will conduct negotiations for an agreement with Canada leading to the cooperative development of the Columbia River Basin. The U.S. delegation will hold its first meeting with the Canadian delegation at Ottawa February 11–12, 1960.

The chairman of the U.S. delegation is Elmer F. Bennett, Under Secretary, Department of the Interior. Other members are: Lt. Gen. Emerson C. Itschner, Chief of Engineers, United States Army; and Ivan B. White, Deputy Assistant Secretary of State.

The Canadian delegation is composed of the following: Minister of Justice E. D. Fulton (chairman); Deputy Minister of Northern Affairs and National Resources Gordon Robertson; Assistant Under Secretary for External Affairs A. E. Ritchie; and Deputy Minister of Lands and Forests, British Columbia, E. W. Bassett.

The Department announced on December 30, 1959,[1] that the International Joint Commission had submitted to the Governments of the United States and Canada its report recommending principles for determining and apportioning benefits to be derived from cooperative development of the Columbia River. The opening of the meeting at Ottawa on February 11 signifies the beginning of the negotiations envisaged in the Department's statement of December 30, 1959.

[1] For text of a joint communique issued at the close of the meeting, see BULLETIN of Jan. 26, 1959, p. 128.

[1] BULLETIN of Jan. 25, 1960, p. 126.

Special $3 Million Loan Made to Iceland

Press release 44 dated January 29

A special assistance loan of $3 million was made to the Government of Iceland on January 29 by the International Cooperation Administration.

Purpose of the loan is to finance procurement of essential industrial commodities, including chemicals, textiles, lubricants, iron and steel products, engines and turbines, agricultural machinery parts, and motor vehicles. The loan is repayable in U.S. dollars over a period of 18 years at 3½ percent interest.

Ambassador Thor Thors of Iceland signed the loan agreement on behalf of his Government.

Department Seeks Senate Approval of Conventions on Law of Sea

Statement by Arthur H. Dean[1]

My name is Arthur H. Dean. I am a member of the New York, the District of Columbia, and the Supreme Court Bars. At the request of the President, I served as chairman of the American delegation to the United Nations Conference on the Law of the Sea, which was convened in Geneva from February 24 to April 28, 1958.[2] And therefore I appear before you this morning as a representative of the Secretary of State.

The large measure of achievement at the conference would not have been possible without the untiring efforts of a number of members of our delegation.[3] I should like to mention the following who are here this morning, and I should like to introduce them to you:

Admiral Oswald S. Colclough, Department of the Navy, Acting President of George Washington University
Mr. Arnie J. Suomela, Commissioner of Fish and Wildlife, Department of the Interior
Mr. William C. Herrington, Special Assistant to the Under Secretary of State
Mr. Raymund T. Yingling, Assistant Legal Adviser of the Department of State
Miss Marjorie M. Whiteman, Assistant Legal Adviser of the Department of State
Mr. William M. Terry, Fish and Wildlife Service, Department of the Interior

I should also like to introduce Admiral Chester A. Ward, Judge Advocate General of the Department of the Navy, who gave us excellent support and advice, as did Admiral Burke, Chief of Naval Operations, and Loftus Becker, former Legal Adviser of the Department of State.

After much debate, negotiation, and careful study, there emerged from the Geneva conference four conventions on the law of the sea, plus an optional protocol. These have been signed by the United States and are now before the Senate for its advice and consent to ratification.[4] They are:

Convention on the Territorial Sea and the Contiguous Zone (U.N. doc. A/CONF. 13/L.52)
Convention on the High Seas (U.N. doc. A/CONF. 13/L.53 [and Corr. 1])
Convention on Fishing and Conservation of the Living Resources of the High Seas (U.N. doc. A/CONF. 13/L.54 [and Add. 1])
Convention on the Continental Shelf (U.N. doc. A/CONF. 13/L.55)

In addition, there is the Optional Protocol of Signature Concerning Compulsory Settlement of Disputes (U.N. doc. A/CONF. 13/L.57), such as may arise in the future about the interpretation of these conventions.

Definition of Terms

Most of you are probably already familiar with the terms and words which are employed in these conventions, but I should like to review some of the more important ones to make sure that you will be familiar with them when I use them.

The "territorial sea," to which I have referred, is that marginal belt of waters running along the coast over which the coastal state exercises

[1] Made before the Senate Foreign Relations Committee on Jan. 20 (press release 26).

[2] For a statement made by Mr. Dean on Mar. 11, see BULLETIN of Apr. 7, 1958, p. 574; for Mr. Dean's closing statement on Apr. 28, together with texts of the conventions, protocol, and resolutions adopted by the conference, see *ibid.*, June 30, 1958, p. 1110.

[3] For the names of members of the U.S. delegation, see *ibid.*, Mar. 10, 1958, p. 404.

[4] S. Ex. J to N, inclusive, Sept. 9, 1959, 86th Cong., 1st sess.

sovereignty, subject to certain limitations imposed by international law.[5]

The "high seas" are all of the waters of the ocean beyond the territorial seas of the coastal states, and these high seas are open and free to all nations.

Any valid extension in the width of a nation's territorial sea with the same extension of the width of territorial seas surrounding islands under the coastal state's jurisdiction naturally cuts down the freedom of all other nations to sail on, or fly over, or lay cables in, or to fish in what was formerly the high seas. Any extension of a nation's territorial sea can be fraught with very serious consequences for its neighbors and may interfere with mobility and the unrestricted right of movement on the high seas and the overlying airspace. For example, there is no right for aircraft to overfly another nation's territorial seas without its consent in the absence of a treaty such as the Chicago Civil Aviation Convention of 1944.

To accommodate certain justifiable desires of coastal states to prevent infringement of their internal laws, there has been established adjacent to the territorial sea the concept of a "contiguous zone" which extends beyond the territorial sea into the high seas for the limited purposes such as protecting customs, fiscal, immigration, and sanitary regulations. It has been proposed that a similar limited zone for coastal fisheries be established.

All of these terms are embodied in the legal principles adopted at the Geneva conference.

Conferences on Law of Sea

This was one of the largest conferences in the history of international law, with 86 nations attending. In attendance also were specialized agencies of the United Nations and other intergovernmental organizations.

With one exception with respect to the breadth of the territorial sea, which I shall mention later, these conventions represent a surprisingly large area of agreement among the nations of the world on basic legal concepts. They constitute real progress in the codification and development of international law.

[5] For an article by G. Etzel Pearcy, Geographer of the Department of State, on "Measurement of the U.S. Territorial Sea," see BULLETIN of June 29, 1959, p. 963.

The achievements of the Law of the Sea Conference illustrate the growing interdependence of nations and the usefulness of an international organization such as the United Nations to consider carefully, and to attempt to reconcile, the conflicting interests of peoples dwelling at the farthest reaches of the oceans and dependent upon it for their food and livelihood and for their communication and trade with one another.

The sea around us is the great *res communis*, or common resource, of all peoples. The topics and problems dealt with in the four conventions affect all countries and were quite properly dealt with in a conference prepared and convened by the United Nations.

The need for such a conference can be seen from the history of attempts to reach agreements on the law of the sea, as well as from specific fishing and navigation disputes which involve every ocean or sea and every continent.

The Hague Conference of 1930 had ended in failure to agree either upon the territorial sea or the contiguous customs zone.

Efforts within the Organization of American States at Santiago in 1955 [6] and in Ciudad Trujillo in 1956 [7] to reconcile disputes on territorial seas, or exploitation of fisheries and the continental shelf, had failed to reach a common "American" position, although there was general agreement on the need for conservation of the sea's resources.

Every effort was made by the United Nations to secure wider agreement. The views of a number of countries, including the United States, were considered by the International Law Commission of the United Nations. Moreover, the United Nations convened an International Technical Conference on Conservation at Rome in 1955. For 3 weeks experts from 51 countries, including the United States, considered methods of assuring the "optimum sustainable yield" of the living resources of the sea. Their conclusions were also considered by the International Law Commission which devoted 6 years to the study and preparation of its final report [8] in 1956.

Following the report and recommendations of the International Law Commission, the Gener

[6] *Ibid.*, Dec. 19, 1955, p. 1025.

[7] *Ibid.*, May 28, 1956, p. 894.

[8] U.N. doc. A/3159.

Assembly decided in 1957[9] to convene a worldwide conference at Geneva the following year to consider not only the legal but also the biologic, economic, and political aspects of the problem.

Throughout the conference the Commission's draft report served as the principal working paper, and the numerous background studies were invaluable in reaching agreement on the conventions which were adopted.

Convention on the Territorial Sea and the Contiguous Zone

Let me take up first the Convention on the Territorial Sea and the Contiguous Zone. This convention is divided into three parts. Part I deals with the territorial sea; part II deals with the contiguous zone; part III deals with the technical procedural matters, such as ratifications, accessions, date of coming into force, publication, etc. All of the four conventions contain such procedural final articles.

I plan to discuss only the more important provisions and what they mean to the United States and the free world, but I shall be glad to answer any further questions or to go into any detail you may wish.

Articles 1 to 3 provide that the sovereignty of a state extends from the low-water line along its coast to the adjacent belt of marginal or territorial sea and that such sovereignty extends to the airspace over, as well as to the seabed and subsoil of, these territorial waters. The importance of the airspace over the territorial sea across which the aircraft of other nations may not fly without consent cannot be overemphasized.

Article 4 provides that straight baselines may be used for measuring the territorial sea in areas where the coastline is deeply indented and cut into, or if there is a fringe of islands along the coast in its immediate vicinity.[10] It is to be observed that while the use of straight baselines may not be invoked for purely economic reasons alone, nevertheless, where the geographic conditions justify their use, economic interests of long standing may also be taken into account.

[9] For text of resolution, see BULLETIN of Jan. 14, 1957, p. 61.

[10] For a detailed and illustrated explanation of baselines, see also Pearcy, "Measurement of the U.S. Territorial Sea," *ibid.*, June 29, 1959, p. 963.

Article 5 assures the right of innocent passage (which I shall define in a moment) in case the use of straight baselines results in enclosing bodies of water as internal waters which formerly constituted parts of the territorial sea or the high seas. This is particularly important in relation to claims by the Philippines and Indonesia that the waters between the islands of their archipelagoes are internal waters—no matter what the distance—and subject to their sovereignty. This article thus protects innocent passage along established trade routes on the high seas, including those around southeast Asia. Otherwise commercial voyages could be greatly lengthened.

Articles 4 and 5 are among the most important in the convention because they clarify the use of straight baselines. While the straight baseline method for delimiting the territorial sea off certain Norwegian fjords was approved by the International Court of Justice in the *Anglo-Norwegian Fisheries* case, [1951] I.C.J. Rep. 116, it is believed that the straight baseline method embodied in the convention represents a more precise limitation.

Article 7 relates to bays and, we believe, represents a significant advance in international law in providing for a 24-mile closing line between the headlands of bays. Article 7 will dispel any doubt that bays of over 24 miles measured at the mouth remain part of the high seas. This is important in view of the increasing claims over bays, such as the Soviet Union's purported claim to Peter the Great Bay and Panama's claim to the Gulf of Panama. However, truly "historic" bays, such as the Chesapeake Bay and Long Island Sound, are protected as exceptions.

Articles 8 through 13 provide for means of delimiting territorial seas around islands or where two adjacent territorial seas face and touch each other. Specific methods for use in situations such as the mouth of a river or a harbor are set forth.

Articles 14 through 20 govern the right of "innocent passage" through the territorial sea. Passage is defined in article 14 as "innocent" so long as it is "not prejudicial to the peace, good order or security" of the coastal state. Fishing vessels, however, must comply with the laws and regulations of the coastal state to protect fisheries, and submarines must navigate on the surface.

Under article 16 coastal states may temporarily suspend the right of innocent passage in specified

areas of the territorial sea for security reasons. However, there can be no suspension of the right of innocent passage through straits which are used for international navigation between areas of the high seas or between the high seas and the territorial sea of a foreign state.

The rule adopted in this convention affords a clear, simple, and precise definition of innocent passage, something which heretofore had not existed in international law. It also permits greater freedom of movement in navigation consistent with the needs of the coastal state to protect itself.

Articles 19 and 20 adopt the traditional rule of international law which provides that the coastal state should not exercise criminal or civil jurisdiction over foreign ships passing through the territorial sea or persons on board except in certain limited situations. Jurisdiction may be exercised for protection against crimes which "disturb the peace" of the coastal state or its territorial sea and for the suppression of the traffic in narcotics.

Articles 21 and 22 provide that government ships operated for commercial purposes shall be governed by the same rules as merchant vessels and therefore be liable for tortious acts. There was opposition to these two articles from the Soviet Union and other state-trading countries which desired "sovereign immunity" for such vessels.

Article 23 pertains to the passage through the territorial sea of warships in compliance with the regulations of the coastal state. The International Law Commission draft contained an article providing for special treatment of warships whereby the coastal state could make the passage of warships through its territorial sea subject to prior authorization or notification, although normally it would grant innocent passage. In the interest of greater mobility we supported this proposal, but neither this proposal nor substitute proposals making the right of innocent passage of warships subject only to previous notification could obtain the necessary two-thirds vote required for their adoption by the conference; so no change in existing international law in this respect is proposed.

There remains article 24 relating to the contiguous zone, which is of special importance. It provides that in a zone of the high seas contiguous to the state's territorial sea, which may not exceed 12 miles from the coastal baseline, the coastal state may exercise certain necessary controls.

These measures provide that it may prevent and punish infringement of the customs, fiscal, immigration, or sanitary regulations within its territory or territorial sea. Although it had become fairly common practice to establish a customs zone such as the United States has had since 1790, no established international law had hitherto been agreed upon either at the 1930 Hague Conference or thereafter.

As I stated earlier, the Geneva Conference on the Law of the Sea failed to reach agreement on the breadth of the territorial sea, and the convention does not contain an article on the precise breadth of the territorial sea. This subject and the closely related one of the extent to which the coastal state should have exclusive fishing rights in the sea off its coast as a contiguous zone remaining a part of the high seas were topics of long and detailed debate at the conference without any conclusion being reached.

The only proposal to receive an absolute majority of the votes of the conference was the compromise proposal of the United States for a 6-mile territorial sea, plus exclusive fishing rights for the coastal state in an additional contiguous 6-mile zone remaining a part of the high seas, subject to certain "historic" fishing rights of other states established through fishing over a 5-year base period. Although this proposal received 45 votes in favor and 33 opposed (and 7 abstentions), it failed to receive the requisite two-thirds majority of 52.

The newly emerging states in Asia and in Africa do not fully subscribe to some of the great and historic doctrines of international law, such as "freedom of the seas" and a narrow territorial sea over which the coastal state exercises its sovereignty and are inclined to be suspicious of our noble statements of aims in this regard.

They are sometimes inclined to believe that our interests in commercial fishing up to the outer limit of their territorial seas or the right of our warships to approach to within 3 miles of their coastline without infringing in any way upon their sovereignty or the impact of our great commercial trawlers fishing in the high seas upon the lives and fortunes of their coastal fishermen with primitive equipment are more truly doctrine the great powers conceived and put into being when they were in a colonial or at least weaker status. They now wish to negotiate on a basis of equality. Closer study often reveals that the

doctrines are essential to their own well-being and that a unilateral extension of the nations of the world of their territorial seas to 12 miles or even greater would be fraught with disaster.

Some objected to our arbitration provisions as an infringement upon their sovereignty, and others had constitutional or statutory provisions for a wider territorial sea than 6 miles.

After this result at the conference, I made the following statement of the United States position: [11]

> Our offer to agree on a 6-mile breadth of territorial sea, provided agreement could be reached on such a breadth under certain conditions, was simply an offer and nothing more. Its nonacceptance leaves the preexisting situation intact. . . .
>
> We have made it clear that in our view there is no obligation on the part of states adhering to the 3-mile rule to recognize claims on the part of other states to a greater breadth of the territorial sea. And on that we stand.

The defeat of the American proposal, I believe, should not be taken as any indication of decrease in respect or influence. The proposal received the support not only of all the British Commonwealth except Canada, and all of the nations of NATO except Canada and Iceland, but also of such newer nations as Pakistan, south Viet-Nam, and Lebanon. Our proposal was supported by Iran, though subsequently Iran, together with Libya, the Sudan, and Panama, has gone unilaterally to 12 miles. The Holy See approved our proposal as moral and creative, and many a delegate from other countries praised the United States for its sincere effort to reach a fair compromise.

Convention on the High Seas

Let me turn now to the Convention on the High Seas. The Convention on the High Seas defines "high seas" in article 1 as encompassing "all parts of the sea that are not included in the territorial sea or in the internal waters of a State." The remainder of the 37 articles in this convention set forth a general regime of freedom of the seas for all nations subject only to a "reasonable regard to the interests of other States."

Freedom of the high seas is declared in article 2 to include the freedom of navigation, freedom of fishing, freedom to lay submarine cables and pipelines, and freedom to fly over the seas, as well as all other freedoms "which are recognized by the general principles of international law."

In the name of freedom of the seas the Soviet Union proposed a rule banning nuclear tests on the high seas. In this attempt they were defeated. In the result a separate resolution was passed referring nuclear tests on the high seas to the United Nations General Assembly for appropriate action and is transmitted for the information of the Senate. It may be noted that the Soviets claim their scheduled missile tests in the Pacific will not involve nuclear energy.

To accommodate the urgent desire of landlocked states, of which there are a dozen, for access to the sea, article 3 provides that common agreements shall be negotiated on the basis of free transit and equal treatment in the use of ports. The Soviet bloc was defeated in its attempt to force coastal states to accord an *absolute right* of transit to landlocked states, which include Czechoslovakia, Hungary, and Byelorussian S.S.R.

Every state—which includes landlocked states—is declared in article 5 to have the unconditional right to sail merchant ships under its own flag on the high seas. Likewise, each state shall fix the conditions under which ships may fly its flag. It is also provided that there "must exist a genuine link" between the state and the ship, and the "State must effectively exercise its jurisdiction and control" over the ship. How this jurisdiction and control is exercised is a matter for each state to decide, since in accordance with the first sentence of article 5 each state shall fix the conditions for the grant of its nationality to ships. Ships which meet these conditions, as determined by the state of registry, acquire through that registry the nationality of that state and the right to fly its flag, and this right must be recognized by these nations.

The use of more than one flag or switching flags during voyage is prohibited by article 6.

Warships on the high seas are, according to article 8, given complete immunity from the jurisdiction of all states other than the flag state.

Article 9 provides that ships which are state-owned or state-operated must be used only on government noncommercial service before they may claim immunity on the high seas from the exercise

[11] *Ibid.*, June 30, 1958, p. 1110.

of jurisdiction by states other than the flag state. Jurisdiction on the high seas may be exercised by states other than the flag state in the case of vessels suspected of slave trade or piracy, or for verification of the flag, as is set out in article 22. I point out in passing that many Soviet vessels, though state-owned and -operated, are used for commercial purposes and would thus be excluded from the immunities granted by this section.

Article 10 requires every state to conform to "international standards" for the labor conditions of crews and the construction, equipment, and seaworthiness of ships. It requires every state to issue regulations pertaining to safety at sea in such aspects as the use of signals and the manning of ships. Masters of ships must render assistance to persons and ships in distress on the high seas, as is already required by our domestic legislation.

Article 11 deals with disciplinary or penal matters arising on the high seas. It limits penal or disciplinary proceedings to the flag state or the state of which the individual is a national. This reverses the decision of the PCIJ [Permanent Court of International Justice] in the case of the SS *Lotus*. In the case of revocation of the master's certificate or certificate of competence, only the issuing state is competent. No arrest of the ship is permitted by any authorities other than those of the flag state. By bringing order and certainty into an area previously characterized by uncertainty and dispute, this article will promote freedom of navigation and commerce.

Time-honored principles are contained in articles 13 through 22, which provide for the suppression of slavery and piracy on the high seas as international crimes.

Article 23 recognizes the right of competent authorities of the coastal or pursuing state to undertake "hot pursuit" of a foreign ship when they have "good reason to believe that the ship has violated the laws and regulations of that State."

As the United States contended during prohibition, pursuit of a suspected ship or one of its boats may start in the territorial sea or the contiguous zone of the coastal state if there has been a violation of customs, sanitary, or other laws for the protection of which that zone was established. This represents a codification of the practice accepted in the case of the bootleg sloop, the *I'm Alone* (Canadian-American Claims Commission, 1935).

Articles 24 and 25 deal with the increasingly significant problem of pollution of the seas. Every state is required to promulgate regulations preventing pollution by the discharge of oil from ships or pipelines or from the exploitation of the seabed and its subsoil. Similarly, every state is required to take measures to prevent the pollution of the seas and overlying airspace from the dumping of radioactive waste and to cooperate with competent international organizations to this end. A separate resolution proposed by our delegation with the cosponsorship of the United Kingdom referred the matter of radioactive waste pollution to the study of the International Atomic Energy Agency and is transmitted for the information of the Senate.

The right to lay submarine cables and pipelines on the bed of the high seas and the rights of the parties in case of damage to such cables or pipelines are firmly established by articles 26 through 30.

Incidents such as the breaking of the transatlantic cable in 1959 [12] by Soviet trawlers off Newfoundland would give rise to the payment of damages if the trawlers are proven to be culpably negligent.

Convention on Fishing and Conservation of the Living Resources of the High Seas

Now let me turn to the Convention on Fishing and Conservation of the Living Resources of the High Seas. It is in the area of fishing and conservation that the agreements reached at Geneva in many ways seem to me the most significant. The Convention on Fishing and Conservation of the Living Resources of the High Seas begins with the candid and straightforward proposition in article 1 that:

> All States have the right for their nationals to engage in fishing on the high seas, subject (a) to their treaty obligations, (b) to the interests and rights of coastal States as provided for in this convention, and (c) to the provisions contained in the following articles concerning conservation of the living resources of the high seas.

The article immediately continues by imposing a corresponding duty:

> All States have the duty to adopt, or to co-operate with other States in adopting, such measures for their respective nationals as may be necessary for the conservation of the living resources of the high seas.

[12] *Ibid.*, Apr. 20, 1959, p. 555.

The remaining articles of the convention implement these twin goals, these corresponding rights and duties.

According to article 2, "conservation" means those measures which, taken together, will result in the "optimum sustainable yield" of the living resources of the sea so as to secure a maximum of food supply. It may be noted that a "conservation" program designed to secure a greater food supply for an individual state at the cost of a diminishing total yield for all fishing states would not comply with the duty imposed by article 1.

Any state whose nationals fish an area of the sea where nationals of other states do not fish is required to adopt unilateral conservation measures under article 3.

If nationals of two or more states are engaged in fishing the same stock or stocks of fish in any area or areas, such states, at the request of any of them, shall negotiate a conservation program for the living resources affected to be observed by all under article 4.

If nationals of another state have not fished in such areas prior to the adoption of such conservation program but begin to fish there after its adoption, they shall either accept the conservation program in force or negotiate a new program with other interested parties under article 5.

The interests of coastal states are guarded. Article 6 of the convention provides that such states have a special interest in the maintenance of the productivity of the living resources in the waters adjacent to their coasts and may take part in any conservation program instituted with respect to such waters, even though their own nationals do not fish there.

Article 7 grants to a coastal state the power unilaterally to adopt conservation measures as to areas of the high seas adjacent to its territorial sea, provided that negotiations with other interested parties have not led to agreement within 6 months. While these measures can only be adopted unilaterally in the case of an emergency and while they must be nondiscriminatory, this provision is testimony to the concern of the conference with the interest of the coastal states.

One of the most striking and the most encouraging aspects of the convention on fishing and conservation is the provisions of article 9 on the "settlement" of disputes. Article 9 provides that impartial settlement procedures are to be instituted before a special commission, if negotiations as to conservation programs should fail.

Not only is this convention the only one of the four conventions which provides its own mechanism for the settlement of disputes, but it is one of the very few multilateral treaties in recent times to make such provision. Furthermore, its unique nature is emphasized by the deletion of the word "arbitration" to overcome the possible impression that legal rather than scientific considerations would govern decisions. It was adopted over the protests of the Soviet bloc and other states anxious to prevent controls upon their "sovereign" right to act unilaterally.

The special commissions, before whom settlement procedures are to be instituted, may be appointed by agreement between the parties, provided that none of the appointees are nationals of any of the states involved in the dispute. If the parties fail to agree within 3 months, the commission shall be appointed by the Secretary-General of the United Nations within a further 3 months upon the request of any party.

To avoid the possibility that such procedures might drag on for years, the commission must, in any event, render a decision within 8 months after its appointment. The power of the commission is demonstrated by its ability to stay enforcement of questioned conservation measures pending the outcome of its proceedings.

Detailed criteria to be applied by such a commission in determining the necessity for or adequacy of conservation measures are set forth in article 10. These criteria include the requirements that scientific findings demonstrate the necessity of conservation measures, that the specific measures in question are based on scientific findings and are "practicable," and that they do not discriminate against fishermen of other states.

In passing, I would like to note that the United States would have preferred the convention to establish the conservation doctrine known as "abstention" as a rule of international law.

Essentially, the abstention procedure provides that, in situations where a state or states are making reasonably full use of a fishery resource and the maintenance of the current yield or, when possible, the further development of the yield is dependent upon the conservation program carried out by the states fishing such resource, then states whose nationals are not fishing such resource regu-

larly or who have no historic interest in it shall abstain from fishing it.

However, the abstention concept on the high seas is difficult to grasp for nations whose economies are only now beginning to mature. Detailed discussion of this doctrine at the Geneva conference we believe has had significant educational value. It was and is our position that this country should continue to pursue the objective of securing general acceptance of this sound conservation measure through agreements with interested states.

The Soviet Government has seen as clearly as anyone that the nations of the world are involved in the great issue of who shall control the resources of the sea, which in earlier times were regarded as boundless.

Today we are becoming more and more aware in more and more cases of the limitations of this great wealth and also of its possibilities of great chemical wealth, the conversion of salt water to fresh, etc. However, now that it has been agreed that conservation and control of sea resources are a necessity, the question arises of who shall divide and regulate these resources when there is scarcity or conflict.

Convention on the Continental Shelf

Let me turn now to the Convention on the Continental Shelf. The Convention on the Continental Shelf gives international recognition to a legal concept first promulgated by the United States.

President Truman's proclamation of 1945 [13] and the Outer Continental Shelf Lands Act passed by Congress in 1953 (67 Stat. 462; Title 43 U.S.C.A. §§ 1331, *et seq.*) were motivated by the need to protect the petroleum deposits beneath the high seas beyond the territorial sea around our coasts, which newly invented techniques opened for extraction for the first time. A number of other nations have since put forward similar claims to their continental shelves.

The term "continental shelf" is defined in article 1(a) to include:

> ". . . the seabed and subsoil of the submarine areas adjacent to the coast but outside the area of the territorial sea, to a depth of 200 metres [655 feet] or, beyond that limit, to where the depth of the superjacent waters admits of the exploitation of the natural resources of the said areas; . . ."

[13] For background and text of proclamation, see *ibid.*, Sept. 30, 1945, p. 484.

Article 1(b) makes clear that the concept of the continental shelf applies to "the seabed and subsoil of similar submarine areas adjacent to the coasts of islands."

Thus the continental shelf is presumed to be exploitable at a depth of 200 meters beneath the surface of the sea and may be exploited beyond that depth where technological developments can be shown to make such exploitation possible.

The clause which protects the right to utilize advances in technology at greater depths beneath the oceans was supported by the United States and was in keeping with the inter-American conclusions at Ciudad Trujillo in 1956. It was included in the ILC 1956 draft.

Article 2 of the convention grants exclusive "sovereign rights" for "exploring" and "exploiting" the shelf, but this is expressly limited by article 3, which insures that the freedom of the overlying waters of the high seas shall not be impaired. While the United States had claimed that the resources of the continental shelf were "subject to its jurisdiction and control," it did not claim "sovereignty" over the shelf.

Moreover, the airspace above the continental shelf remains free and open to the aircraft of all states.

This convention is an agreement between sovereign states and in no way affects the domestic Federal-State controversy over the application of the Submerged Lands Act of 1953 (67 Stat. 29 Title 43 U.S.C.A. §§ 1301, *et seq.*), which granted to the States the lands beneath the territorial sea

This convention protects the rights of the American people to control and use the resources of the continental shelf adjacent to its coast outside the territorial sea.

The question of greatest importance is which resources of this shelf come within the exclusive control of the coastal state. Article 2 represents the effort of our delegation to maximize coastal state control over mineral resources but to limit control over animal resources. Thus the coastal state is given control over all "mineral and other non-living resources of the sea-bed and subsoil but not over living organisms which, at the "harvestable stage," can move without being "in constant physical contact with the sea-bed or the subsoil." Shrimp would not be within the exclusive control of the coastal state, while oyster beds

and pearl fisheries would be within such control.

Existing rights and investments in submarine cables and pipelines are protected by article 4, which prohibits the coastal state from unreasonably impeding their laying or maintenance. Future investments by the coastal state are protected by article 7, which permits exploitation of the subsoil by means of tunneling, whatever the depth of water above the tunnel, and by article 5, which provides for the construction and operation of shelf installations and devices for the same purpose.

Optional Protocol and Other Matters

Let me turn now to the optional protocol and other matters.

These, then, are the four conventions adopted at the Geneva conference. Each constitutes a proposed general code of law applicable to the conduct of states and their nationals. In addition, there is an Optional Protocol of Signature Concerning the Compulsory Settlement of Disputes, which, like the four conventions, has been sent to the Senate with a request that its advice and consent be given to ratification.

Article I of the optional protocol provides that "Disputes arising out of the interpretation or application of any Convention on the Law of the Sea shall lie within the compulsory jurisdiction of the International Court of Justice," except for disputes covered by the special settlement procedure in the convention on fishing and conservation, which I have outlined. This protocol is only meant to apply to these Geneva conventions.

Articles II and IV of the protocol provide for alternative solutions of disputes by arbitration and conciliation, respectively. It is our hope that the great majority of participants in the conference will become parties to this protocol.

Prior to the closing date for signatures on October 31, 1958, the Convention on the Territorial Sea and Contiguous Zone was signed by 44 states, the Convention on the High Seas by 49 states, the Convention on Fisheries and Conservation by 37 states, the Convention on the Continental Shelf by 46 states, and the Optional Protocol by 30 states. Only one of the conventions has been ratified to date. Afghanistan—a landlocked state—ratified the Convention on the High Seas on April 28, 1959, presumably because of the provision of article 3, subdivision 2, of the Convention on the High Seas with respect to freedom of transit.

Second Law of Sea Conference

In conclusion let me turn briefly to the preparations for the second Law of the Sea Conference, Geneva, March 17, 1960.

Two important questions which were extensively debated at the conference, i.e. the breadth of the territorial sea and fishery limits, were unresolved because no proposal received the required two-thirds majority. These matters were referred back to the United Nations General Assembly, which has called a second conference to meet in Geneva on March 17, 1960,[14] to consider them further.

The United States is making extensive preparations for that conference with the hope that agreement on some formula for the breadth of the territorial sea and fisheries rights in a contiguous zone, acceptable to the United States, will result.

Our Navy would like to see as narrow a territorial sea as possible in order to preserve the maximum possibility of deployment, transit, and maneuverability on and over the high seas, free from the jurisdictional control of individual states. Admiral Arleigh Burke links seapower, mobility, and freedom in this manner:

> Naval forces are more important in the missile age than ever before. *Mobility* is a primary capability of navies. Support of our free world allies depends upon the *ability of the Navy to move, unhampered, to wherever it is needed to support American foreign policy.* This is the great contribution of United States seapower toward the progress of free civilization.

U.S. security interests would therefore be ideally served by retention of the 3-mile limit for territorial seas. There is fairly general agreement here and abroad, however, that international agreement on a 3-mile limit may not be obtained and that such agreement by a two-thirds vote is probable only on a 6-mile territorial sea and a 6-mile contiguous fishing zone.

There is opinion also to the effect that, if agreement is not achieved at the next conference on the width of the territorial sea and the contiguous fishing zone and the rights of nationals of other states therein, the individual practice of states

[14] *Ibid.*, Jan. 12, 1959, p. 64.

may, in time, tend to establish a territorial sea of 12 miles.

U.S. defensive capabilities would be so profoundly jeopardized by our acceptance of a greater than 6-mile territorial sea that those responsible for planning for our defense have concluded that we must take a position against such a course in any event. Each extension of the territorial sea also reduces the fishing rights of foreign nationals in such territorial sea.

The choice had to be made ultimately upon the basis of whether U.S. defensive capability could be reasonably maintained if a 6-mile limit were accepted.

The primary danger to the continuance of the ability of our warships and supporting aircraft to move, unhampered, to wherever they may be needed to support American foreign policy presents itself in the great international straits of the world—the narrows which lie athwart the sea routes which connect us with our widely scattered friends and allies and admit us to the strategic materials we do not ourselves possess.

It is in those narrows that an undue expansion of coastal states' territorial seas could entirely wipe out existing passageways over free high seas and, by creating national sovereignty over one segment of a vital route, subject to the coastal states' interference the transit of our warships or terminate transit of our aircraft in the overlying airspace.

There are approximately 116 important international straits in the world which could be affected by the choice of a limit for territorial seas. *All* would become subject to national sovereignties if a 12-mile rule were established. Fifty-two would become subject to national sovereignties if a 6-mile rule were adopted.

Initially, therefore, the choice lies between subjecting our arteries of communication to individual national severance or harassment at 52 points or at 116. Closer analysis reveals an even more critical distinction. Of the 52 straits which would become subject to national sovereignties under a 6-mile rule, only 11 would come under the sovereignty of states which would appear likely to claim the right to terminate or interfere with the transit of our warships or aircraft. While denial of passage through these 11 straits would present a defense capability impairment, that impairment is believed to be within tolerable operating limits.

On the other hand, under the 12-mile territorial sea rule, 18 straits would come under the sovereignty of states which possibly would claim the right to terminate or interfere with the transit of our warships or aircraft, and, of conclusive importance for defense purposes, the denial of passage through these additional straits would present for us a completely unacceptable impairment of our defensive mobility and capability.

In addition, while extension of the breadth of the territorial sea has the effect of exposing the mobility of our warships and aircraft to crippling jurisdictional restrictions, it actually adds to the mobility of a primary Soviet weapon—the submarine. The territorial sea of a neutral state is a neutral area in time of war, and belligerents are obliged by international law to avoid such areas for hostile operations. Though required to operate on the surface, a submarine, however, could transit such areas submerged, even though illegally, and unlikely to be detected by neutral states.

In the event of belligerent action enemy submarines could use such so-called neutral areas of territorial seas for transit, relatively safe from our attack, to reach the scene of their attack—the routes of our surface supply convoys. Such territorial-sea areas, especially if wider than 6 miles, would also certainly be used after their attack by the present large fleet of modern, long-range submarines possessed by the Soviets, including units currently being added which have missile launching capability, as a relatively safe haven from counterattack.

It is believed that the rapid evolution of new and changing weapons systems is not reducing, and will not in the foreseeable future reduce, our dependence upon our seapower capabilities. Indeed, the development of surface missile ships and nuclear powered submarines capable of launching missiles from under water, such as the Polaris, makes this a power of greatly increased and growing effectiveness.

This power to defend ourselves must not be hamstrung by an undue extension of the breadth of the territorial sea.

A complete analysis and comparison of the effect of a 6-mile versus a 12-mile territorial sea has led to the conclusion, concurred in by the Joint

Chiefs of Staff, that the U.S. should strive to achieve agreement on as narrow a territorial-sea breadth as possible, but in any event not to exceed 6 miles. We must endeavor to accomplish this with a minimum of damage or detriment to our commercial fishing interests. Throughout the negotiations at Geneva the fishing industry advisers at all times cooperated fully and unselfishly and always recognized that security interests were paramount.

Department Supports Agreement on Import of Cultural Materials

Statement by W. T. M. Beale[1]

On August 25, 1959, the President forwarded to the Senate for its advice and consent to ratification the Agreement on the Importation of Educational, Scientific, and Cultural Materials.[2] This is an international agreement of the United Nations Educational, Scientific and Cultural Organization designed to facilitate the free flow of educational, scientific, and cultural materials between the nations of the world by the removal of manmade barriers to such international trade.

The United States participated in the conferences beginning in 1948 which led to the formulation of the agreement. The United States also participated indirectly in the formulation of the agreement when it was submitted for technical review to the Contracting Parties to the General Agreement on Tariffs and Trade. This agreement was opened for signature at Lake Success, New York, on November 22, 1950, and entered into force on May 21, 1952. The agreement was signed in behalf of the United States on June 24, 1959, by Ambassador [Henry Cabot] Lodge. Many nations, including most of the industrialized nations of the world, have already adhered to this agreement. The reasons for the delay in signing the agreement insofar as the United States is concerned, relating to United States adherence to the Universal Copyright Convention, were outlined in Acting Secretary Murphy's report dated July 6, 1959, which was transmitted to the Senate by the President.[3]

Need for Agreement

With respect to the need for having such an agreement, members of this committee will recall that immediately following World War II many countries found it necessary or desirable to prohibit or to restrict imports, including in many cases imports of educational, scientific, or cultural materials.

In view of the number of countries involved and the variety of materials covered by the agreement, the types of post-World War II restrictions varied considerably. They varied from country to country and from year to year. In general the restrictions to increased imports of these materials fell into the following basic categories: (1) high import duties, (2) foreign exchange controls, (3) excessive or discriminatory sales taxes, fees, or other charges applied to imports, (4) restrictive import licenses, and (5) burdensome or discriminatory import customs clearance procedures.

The agreement under consideration has as its major objective increasing the international flow of educational, scientific, and cultural materials by eliminating or reducing these tariff and trade obstacles. The agreement concerns itself basically with the following six categories of materials outlined in the five annexes and article III: (1) books, publications, and documents, (2) works of art and collectors' items, (3) visual and auditory materials, (4) scientific instruments and apparatus, (5) articles for the blind, and (6) public-exhibition materials. The agreement is designed to eliminate or to reduce various types of import restrictions on these materials. The central feature of the agreement, however, is the exemption from customs duties of the materials covered by the agreement.

Insofar as the United States is concerned, current tariff rates are the most important deterrents to increased imports of these materials. It should be pointed out, however, that some of the materials covered by the agreement are already on

[1] Made before the Senate Foreign Relations Committee on Jan. 26 (press release 39). Mr. Beale was Acting Assistant Secretary for Economic Affairs when he made this statement; he became Minister-Counselor for Economic Affairs at London on Feb. 15.

[2] S. Ex. I, 86th Cong., 1st sess.; for text, see BULLETIN of Sept. 21, 1959, p. 422.

[3] *Ibid.*

the free list and duties on others are relatively low. It should also be noted that during the last session of Congress bills were introduced or passed to facilitate imports for international exhibitions and fairs, travel and tourist information, and works of art.

Reasons for U.S. Adherence

After a careful interdepartmental review of the agreement, United States adherence was recommended for the following reasons:

1. Ratification would be consistent with United States foreign policy. The United States has advocated and supported the basic objective of the agreement, which is to improve international understanding by reducing trade barriers to knowledge through facilitating international movement of educational, scientific, and cultural materials. The United States has consistently supported the objective of strengthening the United Nations and the specialized agencies which carry out the United Nations programs.

2. Ratification of the agreement at this time will demonstrate to the world United States support for international collaboration and for the principle of free flow of information and ideas. Ratification will constitute evidence that this country is willing and able to take practical, effective measures to accomplish the removal of international tensions by increasing the exchange of ideas and educational materials.

3. Although many of the free-world nations are already parties to the Florence agreement,[4] it may very well be the case that other free-world countries, especially those in the Western Hemisphere, will follow the lead of the United States in ratification of the convention. Continuing delay can result in the loss of this opportunity for leadership.

4. The agreement proposes to increase international trade in the materials covered by this convention by the use of international trade practices which the United States advocates, i.e. multilateral agreements, reduced tariff rates, and the removal of exchange controls and other restrictive devices.

5. Acceptance of the agreement by additional countries will tend to increase international trade in the items which are covered by this convention. Since the United States is the world's most important producer of many of these items, it appears that U.S. industries concerned, in the long run, may benefit as a result of such increased trade. However, although U.S. producers may gain by sharing in a larger world market, some of them may also be faced with increased competition from foreign suppliers.

The agreement, however, provides safeguards with respect to increased imports. While U.S. imports of these items may increase as a result of our ratification of the agreement, it does not appear likely that imports will increase to such an extent as to threaten serious injury to the U.S. industries and require the invocation of the "escape clause" annexed to the agreement at the insistence of the United States as an additional insurance factor to protect U.S. industries. This protocol, which was annexed to the agreement to facilitate U.S. participation in the agreement, provides that a party to this agreement may suspend, in whole or in part, any of its obligation under this agreement if any of the materials covered by this agreement are being imported in such relatively increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or competing products. While the protocol provides that the suspension of such obligations shall take place after consultations with the other contracting parties, it is recognized that under special circumstances emergency action may be taken prior to consultations.

It is also provided in the agreement that the contracting parties shall have the right to take measures to prohibit or limit imports or internal distribution of these materials on grounds relating to national security, public order, or public morals.

Imports into the United States of scientific apparatus and instruments will be limited by the following factors: (1) duty-free import privileges are accorded only to approved institutions and for specific purposes, (2) duty-free status does not apply to instruments or apparatus of equivalent scientific value produced in the United States, (3) U.S. industries produce the great majority of the items which are covered by the agree-

[4] The Agreement on the Importation of Educational, Scientific, and Cultural Materials was adopted by the General Conference of UNESCO at its fifth session at Florence, Italy, on June 14, 1950.

ment and the prices and quality of many of the U.S. products are competitive with such items produced elsewhere.

The agreement contains certain other restrictions which will tend to govern the volume of imports. For example, duty-free entry will not be accorded to such items as (1) stationery, (2) newspapers and periodicals in which the advertising matter is in excess of 70 percent by space, (3) books, publications, and documents published by or for a private commercial enterprise, and (4) other items in which the advertising matter exceeds 25 percent of the available space.

6. By reducing the cost for imported materials and simplifying import procedures the agreement should tend to increase and improve the activities of such institutions as schools and universities, scientific laboratories and research foundations, libraries, galleries, museums, and institutions and organizations concerned with the welfare of the blind. The limited funds available to teachers, educational institutions, and research organizations has hindered the improvement or expansion of their activities.

7. In conclusion may I point out that any measures to increase the circulation abroad of American educational, scientific, and cultural materials should assist American international information programs, both governmental and private.

Congressional Documents Relating to Foreign Policy

86th Congress, 2d Session

Reception of Foreign Dignitaries. Report to accompany S. Res. 245. S. Rept. 1024. January 14, 1960. 3 pp.

United States Foreign Policy: Ideology and Foreign Affairs. (The Principal Ideological Conflicts, Variations Thereon, Their Manifestations, and Their Present and Potential Impact on the Foreign Policy of the United States.) Study prepared at the request of the Senate Committee on Foreign Relations by the Center for International Affairs, Harvard University (pursuant to S. Res. 336, 85th Cong., and S. Res. 31, 86th Cong.). No. 10. January 17, 1960. 82 pp. [Committee print.]

Organizing for National Security. Interim report of the Senate Committee on Government Operations made by its Subcommittee on National Policy Machinery (pursuant to S. Res. 115, 86th Cong.). S. Rept. 1026. January 18, 1960. 20 pp.

Study of Foreign Policy. Report to accompany S. Res. 250. S. Rept. 1027. January 18, 1960. 7 pp.

Authorizing the Extension of a Loan of a Naval Vessel to the Government of the Republic of China. Report to accompany H.R. 9465. H. Rept. 1207. January 19, 1960. 7 pp.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Governors of Inter-American Bank Meet at San Salvador

The Organization of American States announced on January 11 that the Board of Governors of the Inter-American Development Bank [1] will hold its first meeting at San Salvador February 3–10.

The Board of Governors will decide the opening date for operations of the Bank and will elect the Bank President and six of the seven Executive Directors. The seventh will be appointed by the United States,[2] the country with the largest number of shares in the Bank.

At the meeting it is expected that policy matters leading to the establishment of the Bank will be resolved. Documents to be considered by the Board of Governors at its first meeting are being drafted by a Preparatory Committee made up of Argentina, Brazil, Chile, Costa Rica, El Salvador, Mexico, and the United States.

The Board of Governors is composed of one representative and one alternate from each member country of the Bank.[2] It plans to meet at least once a year. Governors will serve 5-year terms. However, they may be replaced at any time by their governments. Governors attending the Salvador meeting are expected to be finance or treasury ministers or presidents of central banks.

The agreement establishing the Inter-American Bank vests all of its powers in the Board of Governors. With the exception of specific responsibilities, the Governors are permitted to delegate powers to a Board of Executive Directors charged with determining the basic organization of the Bank and conducting its operations. The seven Executive Directors will be salaried and will serve 3-year terms; their offices will be located at the Bank's headquarters at Washington, D.C.

Purpose of the Inter-American Bank is "to contribute to the acceleration of the process of economic development of the member countries,

[1] For background, see BULLETIN of May 4, 1959, p. 646; June 8, 1959, p. 849; and June 22, 1959, p. 928.

[2] See p. 264.

both individually and collectively." Eighteen of the 21 OAS member nations are now participants in the Bank. Ratifications are still pending from Cuba, Uruguay, and Venezuela.

Resources of the Bank after all ratifications are completed will total $1 billion. Of this amount, $850 million constitutes authorized capital of the Bank and $150 million is assigned to a Fund for Special Operations. The Latin American nations will subscribe $500 million of the authorized capital of the Bank and the United States $350 million. Contributions to the Fund for Special Operations, which may provide loans repayable wholly or in part in the local currency of the borrower country when circumstances make an ordinary loan inappropriate, total $100 million for the United States and $50 million for the countries of Latin America. Operations of the Fund will be kept completely separate from those of the authorized capital of the Bank.

Senate Confirms U.S. Officials to Inter-American Bank

The Senate on January 20 confirmed the following nominations: Robert Bernerd Anderson to be a Governor of the Inter-American Development Bank for a term of 5 years and until his successor has been appointed; Douglas Dillon to be an Alternate Governor of the Inter-American Development Bank for a term of 5 years and until his successor has been appointed.

The Senate on January 27 confirmed Robert Cutler to be an Executive Director of the Inter-American Development Bank for a term of 3 years and until his successor has been appointed.

Mr. Burgess Named U.S. Member of OEEC Reorganization Study Group

The Department of State announced on January 26 (press release 40) that Ambassador W. Randolph Burgess, U.S. Permanent Representative to the North Atlantic Council and European Regional Organizations, will serve as the U.S. member of the preparatory group for the reorganization or reconstitution of the Organization for European Economic Cooperation.

The preparatory group of four persons has been appointed pursuant to a resolution on the study of the reorganization of the OEEC adopted by the Special Economic Committee, which met at Paris on January 12 and 13, and subsequently approved on January 14 by representatives of the 20 governments which are also members and associate members of the OEEC and the Commission of the European Economic Community.[1] Following adoption of this resolution, Under Secretary of State Dillon stated on behalf of the United States:

> We favor the formation of a reconstituted organization adapted to the needs of today. Subject to the approval of our Congress, the United States would be prepared to assume full and active membership in an appropriately reconstituted organization.

During the course of their work the group of four will consult with the 20 governments, the European Communities, and appropriate international organizations. The report of the group will be submitted to a meeting of senior officials of the 20 governments, to be held at Paris on April 19, 1960, to which the European Communities will also be invited.

Mr. Sproul Replaces Mr. Dodge on Bankers' Study Trip

The International Bank for Reconstruction and Development announced on January 19 that Allan Sproul has accepted the suggestion of the President of the Bank, Eugene R. Black, that he go to India and Pakistan in place of Joseph M. Dodge, who is ill, as a member of a group of bankers visiting those countries next month. Mr. Sproul is a former President of the Federal Reserve Bank of New York.

As announced on December 19, 1959,[2] the other members of the group which will visit India and Pakistan at Mr. Black's suggestion are Sir Oliver Franks, chairman of Lloyds Bank Ltd. of London, and Dr. Hermann Abs, chairman of the Deutsche Bank of Frankfurt. The three members are to

[1] For statements made by Under Secretary Dillon at the Paris meetings and text of the resolution, see BULLETIN of Feb. 1, 1960, p. 139. Other members of the group of four are: Bernard Clappier, Director for Economic and Commercial Policy, French Ministry of Finance and Economic Affairs; Sir Paul Gore-Booth, British Deputy Under Secretary of State for Foreign Affairs; and Xenophon Zolotas, Governor of the Bank of Greece.

[2] BULLETIN of Jan. 11, 1960, p. 63.

meet at Karachi on February 13 and will spend 5 or 6 weeks in India and Pakistan studying economic conditions and acquainting themselves with the current and prospective development plans of the two countries.

Current U.N. Documents: A Selected Bibliography[1]

Economic and Social Council

Commission on the Status of Women. Equal Remuneration for Men and Women Workers for Work of Equal Value. Report prepared by the International Labor Office. E/CN.6/359. January 7, 1960. 20 pp.

Trusteeship Council

Report of the United Nations Commissioner for the Supervision of the Plebiscite in the Cameroons Under United Kingdom Administration: Part I—Organization, Conduct and Results of the Plebiscite in the Northern Part of the Territory. T/1491 and Add. 1. November 25, 1959. 225 pp.

Provisional Agenda of the Twenty-fifth Session of the Trusteeship Council. T/1496 and Add. 1. December 17, 1959. 22 pp.

Examination of the Annual Report on the Trust Territory of Ruanda-Urundi for the Year 1958. Observations of the United Nations Educational, Scientific and Cultural Organization. T/1495. December 17, 1959. 17 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

Aviation

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

Adherence deposited: State of Cameroun, January 15, 1960.

Protocol to amend convention for unification of certain rules relating to international carriage by air signed at Warsaw October 12, 1929 (49 Stat. 3000). Done at The Hague September 28, 1955.[2]

Ratification deposited: Ireland, October 12, 1959.

[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

[2] Not in force.

Wheat

International wheat agreement, 1959, with annex. Opened for signature at Washington April 6 through 24, 1959. Entered into force July 16, 1959, for part I and parts III to VIII, and August 1, 1959, for part II. TIAS 4302.

Accessions deposited: Honduras, January 5, 1960; Panama, January 28, 1960.

BILATERAL

Austria

Research reactor agreement concerning civil uses of atomic energy. Signed at Washington July 22, 1959.

Entered into force: January 25, 1960.

Research reactor agreement concerning civil uses of atomic energy. Signed at Washington June 8, 1956. TIAS 3600.

Terminated: January 25, 1960 (superseded by agreement of July 22, 1959, *supra*).

Uruguay

Agreement further supplementing the agricultural commodities agreement of February 20, 1959, as supplemented (TIAS 4179, 4238, 4356, and 4375). Signed at Montevideo January 13, 1960. Entered into force January 13, 1960.

DEPARTMENT AND FOREIGN SERVICE

Confirmations

The Senate on January 20 confirmed the following nominations:

Walter C. Dowling to be Ambassador to the Federal Republic of Germany. (For biographic details, see Department of State press release 782 dated November 9.)

Raymond A. Hare to be a Deputy Under Secretary of State. (For biographic details, see Department of State press release 834 dated December 2.)

John D. Hickerson to be Ambassador to the Philippines. (For biographic details, see Department of State press release 718 dated October 13.)

Walter P. McConaughy to be Ambassador to the Republic of Korea. (For biographic details, see Department of State press release 700 dated October 6.)

John J. Muccio to be Ambassador to Guatemala. (For biographic details, see Department of State press release 875 dated December 24.)

Edward Page, Jr., to be Minister to Bulgaria. (For biographic details, see Department of State press release 815 dated November 23.)

Edson O. Sessions to be Ambassador to Finland. (For biographic details, see Department of State press release 739 dated October 20.)

William P. Snow to be Ambassador to the Union of Burma. (For biographic details, see Department of State press release 779 dated November 9.)

The Senate on January 27 confirmed the following nominations:

Dennis A. FitzGerald to be Deputy Director for Operations of the International Cooperation Administration in the Department of State.

Foy D. Kohler to be an Assistant Secretary of State. (For biographic details, see Department of State press release 852 dated December 11.)

Livingston T. Merchant to be Under Secretary of State for Political Affairs. (For biographic details, see Department of State press release 841 dated December 7.)

G. Frederick Reinhardt to be Ambassador to the United Arab Republic and Minister to the Kingdom of Yemen. (For biographic details, see Department of State press release 16 dated January 14.)

Tyler Thompson to be Ambassador to Iceland. (For biographic details, see Department of State press release 15 dated January 14.)

Designations

John J. Czyzak as Assistant Legal Adviser for Far Eastern Affairs, effective February 1.

Edward A. Jamison as Director, Office of Inter-American Regional Political Affairs, effective January 24.

Ely Maurer as Assistant Legal Adviser for Economic Affairs, effective February 1.

Francis E. Meloy, Jr., as Special Assistant to the Deputy Under Secretary for Political Affairs, effective January 11.

Temple Wanamaker as Director, Office of Public Services, effective January 24.

American Embassy in Libya Moved to Tripoli

Effective January 25 the American Embassy in Libya was officially transferred from Benghazi to Tripoli. At the same time the Embassy's branch office at Tripoli was officially transferred to Benghazi.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Mutual Defense Assistance. TIAS 4347. 3 pp. 5¢.

Agreement between the United States of America and Luxembourg, amending annex B of agreement of January 27, 1950. Exchange of notes—Signed at Luxembourg October 27 and 31, 1959. Entered into force October 31, 1959. Operative retroactively July 1, 1959.

Special Economic Assistance—Technical Assistance Projects. TIAS 4348. 3 pp. 5¢.

Agreement between the United States of America and Yugoslavia. Exchange of notes—Signed at Belgrade October 22, 1959. Entered into force October 22, 1959.

Surplus Agricultural Commodities. TIAS 4349. 3 pp. 5¢.

Agreement between the United States of America and Spain, amending agreement of October 23, 1956, as amended. Exchange of notes—Dated at Madrid June 25 and July 15, 1959. Entered into force July 15, 1959.

Defense—Introduction of Modern Weapons into NATO Defense Forces. TIAS 4350. 2 pp. 5¢.

Agreement between the United States of America and Turkey. Exchange of notes—Signed at Ankara September 18 and October 28, 1959. Entered into force October 28, 1959.

Surplus Agricultural Commodities. TIAS 4352. 3 pp 5¢.

Agreement between the United States of America and India, amending agreement of September 26, 1958, as amended. Exchange of notes—Signed at Washington November 13, 1959. Entered into force November 13, 1959

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33	1/25	Thayer: Ruritan National, Louisville, Ky.
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35	1/25	U.S.–Canada economic meeting.
36	1/25	Bonsal: arrival from Cuba.
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*43	1/28	Herter: presentation of Hull award to House Speaker Rayburn.
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THE DEPARTMENT OF STATE

Bulletin

VOL. XLII, No. 1078 • PUBLICATION 6947

February 22, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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he Role of Science in Foreign Policy Planning

Statement by Wallace R. Brode
Science Adviser[1]

The Department of State has been quite con-
ious of the impact of science and technology on
r economic, social, and political structures.
embers of the Department have participated in
merous conferences such as that on "Research
d Development and Its Impact on Economy"
ld by the National Science Foundation or the
mposium on "Basic Research" sponsored by sev-
al agencies, including the American Association
r the Advancement of Science, the National
cademy of Sciences, and the Sloan Foundation.
e crystallization of opinion on these problems
s not rested solely with the scientific community,
cause there has been equal concern and interest
pressed in the January 1960 issue of the *Annals*
the American Academy of Political and Social
ience devoted to "Perspectives on Government
d Science." This same interest is demonstrated
the Senate Foreign Relations Committee re-
esting a study by the Stanford Research Insti-
te. The Stanford Research Institute report[2]
empts to merge foreign policy factors with sci-
tific developments. It is unique and original in
aracter, and it merits review and consideration
your committee, the Department of State, and
e scientific community.

It is impossible to dissociate those developments
science and technology which affect our national
licy from those which form our foreign policy.
us the broad, overall recommendation made by
e Stanford Research Institute that there should be intensive, long-range planning of scientific programs and a decision on which areas to emphasize is one in which the Department concurs in principle. This is consistent with recommendations which I made in my presidential address before the American Association for the Advancement of Science last month, in which I discussed in some detail the problems of effecting a national science policy. Science by definition is neither national nor international, and a science policy applies in general for both areas. I indicated that there must be a planned and thoughtful analysis and appraisal of our efforts:

> A national science policy is needed for a wise and rational distribution of scientific activities, so that space, defense, education, atomic energy, oceanography, and medical research are not bidding against each other for limited available support. The growing demand for scientists in the face of a limited supply of scientists, materials, funds, and facilities requires major policy decisions as to the distribution of resources. . . . there should be a relative priority assigned to areas of science, but there should also be recognition that scientific programs do not all have priorities that override economic, political, educational, and social developments.

This integration of the scientific with the political, economic, and social can best be done after the entire series of reports initiated by your committee have been studied. Scientific developments may indicate a certain policy position whereas political situations then current may dictate a different approach to the problem. I would be inclined to feel that the sociological and economic factors which are included and discussed in the Stanford Research Institute report in both general programs and underdeveloped aid area discussions are not in the area of science which I feel

[1] Made before the Senate Foreign Relations Committee
Jan. 28.

[2] *United States Foreign Policy: Possible Nonmilitary*
ientific Developments and Their Potential Impact on
reign Policy Problems of the United States, September
59 (Committee print).

competent to discuss. It would, I believe, be more appropriate for the Department to present its view on these social and economic factors and underdeveloped areas at the time of the discussion of the studies dealing with economic problems and economic and social conditions in lesser developed and uncommitted countries.

In commenting on this report I believe it would be well to use the "Summary of Findings" as a basis for discussion.

Solutions and Problems Created by Scientific Advance

I. Scientific developments in the next decade will give rise to or intensify many problems that must engage the attention of foreign policy planners. Scientific developments will also help solve foreign policy problems. But the outlook is that the progress of science and technology will do more to create or intensify than to ameliorate such problems, unless deliberate policy measures are taken.

I would most certainly agree that "Scientific developments in the next decade will give rise to or intensify many problems that must engage the attention of foreign policy planners" and that "Scientific developments will also help solve foreign policy problems," but I do not subscribe to the implication that ". . . science and technology will do more to create or intensify than to ameliorate such problems . . . ." Research usually has a positive approach or objective and negative results are usually discarded enroute, so that by and large one should be able to say that most research is beneficial—although the results may be used for ulterior purposes. I would admit that scientific and technical advance creates more problems than just marking time with no research or advance; but my thesis is that both solutions and problems are created by scientific advances and that the beneficial effect of solutions outweighs the problems created.

The continuous advance of science and technology takes its toll of interests in a changing world and may alter demands for labor, capital, material, or methods and is no respecter of geographical, political, professional, or trade boundaries. We can combat the effects of technological and scientific advance, or we can accept and gain by the advance. Some may profit and others may lose, but the sum total of the effect of advancing science and technology on our civilization and economy has been positive and not negative.

Those who cannot accept the impact of science on our economy create artificial barriers to ir pede or offset the effects. Sometimes this occu when automation or changes in supply or demar create unemployment. In commerce we have r strictive laws, taxes, or protective tariffs whi prohibit or impede transactions involving a ne substitute or synthetic. Oleomargarine wi added color, vitamins, and flavor has, as a sy thetic foodstuff, been slowly accepted as a dieta constituent by those who could not well affo more expensive materials. Much of the delay its availability has been due to tariffs, taxes, a licenses designed to protect an existing natu product against an advancing technology. Mo recently we have developed another form of pr tection: The Government purchases materi which are overproduced as the result of scienti development of better plants, improved fertiliz weed killers (which remove unwanted plants th rob the soil of moisture and nurturing mineral or by machine-cultivation methods which ha permitted the grower to efficiently produce mo material.

We develop substitutes for some vital materi only produced abroad so as to preserve our ec omy in time of emergency supply cutoff. Ho ever, even though we may have a substitute, continue to feel an obligation to purchase or su sidize the foreign production lest the sudden s pension of acquisition should produce a depressi in the area concerned.

To choose any one technical area as an exam of what might happen to the world economy science and technology should provide a synthe or substitute to a major commodity may, at mere mention of the theoretical possibility, ca unrest and concern among those countries wh would be affected. The Stanford Research Ins tute report did produce this effect; and, wh one would not wish to disturb any particular co modity market or nation, nevertheless, it may b very good thing to awaken and make others aw of the problems which science creates in its c tinuous advance.

To my knowledge our Government is not gaged in developing a synthetic coffee. Howev the solution of the problems which may be crea by such a production may also be achieved by entific research. On the occasion of the In national Rubber Conference held here Washington last November, I presented the op

Senate Foreign Relations Committee Studies on U.S. Foreign Policy

The Senate Foreign Relations Committee on January 5, 1959, designated selected research organizations and institutions to undertake studies on U.S. foreign policy. Following is a list of the studies now published as committee prints and those in process.

Studies Published

Worldwide and Domestic Economic Problems and Their Impact on the Foreign Policy of the United States. Corporation for Economic and Industrial Research, Inc. No. 1. August 1959. 92 pp.

Possible Nonmilitary Scientific Developments and Their Potential Impact on Foreign Policy Problems of the United States. Stanford Research Institute. No. 2. September 1959. 100 pp.

U.S. Foreign Policy in Western Europe. Foreign Policy Research Institute, University of Pennsylvania. No. 3. October 15, 1959. 95 pp.

U.S. Foreign Policy in Africa. Program of African Studies, Northwestern University. No. 4. October 23, 1959. 84 pp.

U.S. Foreign Policy in Asia. Conlon Associates, Ltd. No. 5. November 1, 1959. 157 pp.

The Operational Aspects of United States Foreign Policy. Maxwell Graduate School of Citizenship and Public Affairs, Syracuse University. No. 6. November 11, 1959. 73 pp.

Basic Aims of United States Foreign Policy. Council on Foreign Relations. No. 7. November 25, 1959. 24 pp.

Developments in Military Technology and Their Impact on United States Strategy and Foreign Policy. The Washington Center of Foreign Policy Research, The Johns Hopkins University. No. 8. December 6, 1959. 120 pp.

The Formulation and Administration of United States Foreign Policy. The Brookings Institution. No. 9. January 13, 1960. 191 pp.

Ideology and Foreign Affairs: The Principal Ideological Conflicts, Variations Thereon, Their Manifestations, and Their Present and Potential Impact on the Foreign Policy of the United States. Center for International Affairs, Harvard University. No. 10. January 17, 1960. 82 pp.

Studies in Process

Foreign Policy Implications for the United States of Economic and Social Conditions in Lesser Developed and Uncommitted Countries. Center for International Studies, Massachusetts Institute of Technology.

U.S. Foreign Policy in the U.S.S.R. and Eastern Europe. The Russian Institute, Columbia University.

U.S. Foreign Policy in the Near East. Institute for Mediterranean Affairs, Inc.

; address and discussed some of the effects of a thetic rubber program on natural or tree rub-. The rubber industry has shown unusual satility in handling this problem. The supply l demand of rubber and the creation of syn-tic forms were complicated by both the First l Second World Wars, which created an ab-mal military demand and an impedance to a mal transportation. Our synthetic rubbers e been improved so that for certain usages they e a priority over natural. However, because the superiority of natural rubber for some uses re has been further work to develop a "true" her than prototype synthetic. We are now e to create from petroleum sources, in pilot nts, rubbers identical to tree-grown rubber. e future of tree rubber, however, is probably as uncertain as natural oil of wintergreen, wood alcohol, camphor, indigo, vanilla, or silk, but continued existence, expansion, or development of the tree-grown rubber may require development of crop improvement and byproduct utilization. Many a natural product which was threatened by synthetics or substitutes has extended or preserved its life by research on new uses and byproducts.

It is generally recognized that science is advancing at an exponential and not a linear rate, and every year we have a proportionally larger number of scientific discoveries and publications. I feel that the reproductions in the Stanford Research Institute report of some of the current growth or expansion data on a linear basis produces somewhat frightening effects in a world which is capable of expanding in three dimensions at a geometrical rate.

Appraisal of Science Programs

II. The national interest requires a more conscious direction of scientific activity in ways likely to assist in the achievement of America's international goals. The security and well-being of the United States call for a reappraisal of present allocations of scientific and technological effort with a view to directing more effort toward nonmilitary foreign policy challenges.

The concept of appraisal and possible realinement of our science programs is a major policy action with which I have indicated previous concurrence.

As the Stanford report points out, science by its application in transportation, communications, exchange of knowledge and understanding has essentially brought the world closer together so that we no longer have insulated islands of separate civilizations and internal actions have greater external effects in the world community. Hence we may essentially say that there is no sharp dividing line between national policy and foreign policy. I find it just as difficult to differentiate between military and nonmilitary science as I do between national and foreign policy in this contracting universe. The electronic-nuclear-microorganic-astronautical age in which we live is only a military age if we choose to apply these scientific areas to military activity and becomes a peaceful age if we create peaceful applications for these scientific developments.

I do not dispute the comments in the Stanford Research Institute report of the great disparity between the financial support for defense programs as compared with the effort which we expend on nondefense science, but changes in these programs would seem to require a fundamental realinement of our national programs and policies. Most scientists will agree that there is a preponderance of effort toward military, but even the military are aware of this and are plowing back into our own culture large sums in the support of essentially nonmilitary research and development both here and abroad.

The Stanford Research Institute report recommends a research program in arms control and disarmament. Since the major discussion on disarmament in your series of reports appears to be in the Johns Hopkins University report on military technology and foreign policy, it seems reasonable that discussion on disarmament should be deferred until this latter report is discussed.

Another specific Stanford Research Institute recommendation for additional research is the d velopment of underdeveloped countries. As I i dicated before, I feel that the problem of raisir the level of underdeveloped areas to a higher lev is not specifically a scientific problem. Perhaps is a technological problem, but certainly it is mo a cultural, social, and economic problem than a s entific problem. The present programs of t Department of State for underdeveloped areas, directed by the International Cooperation Admi istration, have a reasonable amount of science a technology.

One naturally expects the new advances science and technology to take place in the scie tific centers of the world, and we have no uniq monopoly on these centers. Certainly one wou not expect our major scientific advances to co from the less well-developed areas, yet it will c tainly be these latter areas which may probably most upset by technological advances produced the advanced technical areas. We have promot for some time technology teams to serve in t underdeveloped areas of the free world under t International Cooperation Administration so to assist them in adjusting and rising toward t technological level of the advanced areas of t free world.

Concerning the Stanford Research Instit recommendation for a United Nations universi may I indicate that, as a former university p fessor, for many years at the Ohio State U versity, as well as having maintained a cl contact with our national education programs find myself unable to develop any strong feeli of support for a United Nations universi There may be need for support or expansion universities in this country and throughout world, but there is no established or proven n for a new and different kind of university fr those we now have. The concept of a natio university in this country has been propo from time to time, but the possible gain measu against the existing State and private universit as well as the probable administrative proble has led the educational leaders to shy away fr such a program. It would seem that an int national or United Nations university would only be awkward to effect but that there is no dence of a demand for its formation. A m logical program in education could certainly effected through subsidies through UNES

United Nations Educational, Scientific and Cul-ural Organization] to country establishments or cooperative contributory program similar to the NATO scholarship-research grant system.

articipation of Science in Policy Programing

III. Foreign policy planning of the broadest kind, mak-ng use of the best scientific assistance, will be a critical equirement in the years ahead. This planning should nclude continual review of prospective scientific develop-nents and their significance for international relations.

The third summary conclusion of the report eals with the need for scientific participation in ne planning and assessment of policy programs f the future. It is indicated that the forces nd factors developed through economic, political, nd social policies must be included along with ne scientific forces, and with this we certainly oncur. Science is expanding at a greater rate nan most other cultural activities so that the uture should involve an even greater role for cience in foreign policy formulation than at the resent time. The Department of State had ecognized this by establishing the science office, hich I head in the Department of State, which as science officers serving in the major scientific enters of the world.

I realize that Dr. Carter [3] indicated that he had xcluded from consideration in his report the cience office program in the Department of State nd our scientific attaché program abroad, but nce this is the area of our foreign policy develop-ent for which I am directly responsible, I feel at it would not be out of place to indicate that ertain of his recommendations are now in effect ith the reestablishment of this program in the epartment of State. Since his report was re-ased, however, we have nearly doubled our scien-fic attaché staff abroad—from 8 to 14 persons—nd have increased the number of technical areas f the world being covered.

Our science offices do not parallel exactly the me 25 nations who have science officers or at-chés in their embassies here in Washington, for ere is a marked difference in size and scientific uivalence among nations. Essentially we have osen some 10 major areas of the world to place r scientists but with an expected flexibility for gional and subject coverage. Our present authorization includes London, Paris, Bonn, Rome, Stockholm, Moscow, Rio de Janeiro, New Delhi, Tokyo, and Buenos Aires. We plan a modest expansion to two or three other areas in the next year. Our overseas offices consist generally of a senior scientist and a deputy, both distinguished scientists who speak the language of the country and who are well known to the scientists of the area. In general, we endeavor to have the senior and deputy in markedly different scientific fields, such as physical sciences or engineering represented by one scientist and medical sciences represented by the other. Their primary responsibilities are to assess scientific developments in the country of assignment and in the United States that may affect our foreign policy, either in the country of assignment or other areas of the world. Our science officers are responsible for the coordination of the scientific activities of other United States agencies in science in their areas. The United States agency support of overseas scientific activity is becoming one of the major foreign programs of this nation. While such a foreign science program in the world at large is only in the $100-million class and not large compared to other foreign aid and mutual assistance programs, it becomes important in a policy nature because of the impact which science has on the foreign policy and economy of other nations.

The support of our science officers abroad is effected through a small backstopping group of specialists here in Washington who serve as contacts with Government agencies, societies, universities, and industry as well as participating and advising in the various Departments and governmental groups which require science advice.

We recognize that, as the Stanford report so ably stresses, the solution in part to the foreign policy problems created by the progress of science is the time element needed to avoid a resistance to the advance of science. Our modest program in science coverage in the Department of State is directed primarily toward the policy influence of scientific developments. We expect the major needs of American industry and applied governmental agencies to be met by specialists from these areas, or supported by these areas and coordinated through the science attaché of the embassy in accordance with the coordinating function which the President has directed to be exercised by our ambassadors. The coordination authority which the Department has in respect to foreign science

[3] E. Finley Carter, president, Stanford Research stitute.

programs of United States agencies abroad can provide a useful means of directing such activities in the support of our foreign policy and the flow of scientific information.

I am not particularly worried, as Dr. Carter appears to be, that the Department of State has not been listed as a major recipient of science research funds. We are not an operating agency in science but rather a coordinating and assessing agency. Relatively speaking, our needs are modest and our entire program for a number of years to come would not envisage, with our present responsibilities, more than 25 scientists. As science grows in importance, it may well follow that our science program in the Department may expand both in area and subjectwise.

The insulation which many scientists and even some political authorities seek between science and our foreign policy activities has led to problems in our advancing civilization, especially when other nations have formed a close tie between science and their political structure. It must be obvious that there is an important place for science in our foreign policy planning.

Science and Foreign Affairs

by George B. Kistiakowsky[1]

My theme tonight will be the impact of science and technology on foreign policy.

Many of you have thought and written about various aspects of this subject; certainly all of you in one way or another have contributed to the dramatic changes of the recent years that have significantly altered our relations with the rest of the world. Let me try to single out, if I can, what I believe to be the important aspects of this relation between science and world affairs.

I needn't devote much time here to demonstrating the proposition that the advances of science gradually, sometimes suddenly, are altering the relations between nations and peoples. Of course it is the technology which is the carrier of change, but it is the basic science, the acquisition of knowledge, that constitutes the seed from which man makes technology grow. The advances of science, in this sense, made our political isolation from the rest of the world impossible after World War II just as they earlier made economic isolation impossible. In military affairs, perhaps, are visible the most dramatic and fast-moving changes, as technological developments took us from TNT to H-bombs, from artillery to bombers to ballistic missiles, from cavalry patrols to early warning radar, all with the significance of shrinking the world and of increasing the mutual dependence and vulnerability of nations. If, for a moment, I may revert to the language of my chemist days, humanity but a century ago was in the condition of a steady state reaction, whereas now it is in the midst of a nonsteady branching chain process and science is the chain carrier. Public policy, whether domestic or foreign, must recognize this transformation, cope with the problems it generates, and use it as appropriate for the goals of our society.

The need to adjust public policy to changing human conditions, of course, isn't new. What is new today is the rapidity with which the developments of science are altering the human conditions, the rapidity with which policy, particularly foreign policy, must adjust to the changes being wrought by the pace of scientific advance. Not only adjust—policy must prepare for, must predict, the impact of scientific discovery and must also in some sense attempt to guide it.

I will return to this later. Let me explore now some other aspects of the relation of science

[1] Address made before the American Physical Society and the American Association of Physics Teachers at New York, N.Y., on Jan. 29 (White House press release). Dr. Kistiakowsky is Special Assistant to the President for Science and Technology.

o foreign affairs that are, I think, unique to our ge—at least their importance is unique—and hat provide us with our greatest immediate op- ortunities and some of our major problems. I m thinking here of several things: one, the un- aralleled and in many ways unexpected political mportance to a nation of having the appearance f world scientific leadership (I use the word appearance" advisedly); two, the effect interna- ional scientific activities have, and can have, on he relations between states; three, the importance f the technical component of some prospective rms control measures; and four, the relation of cience to technical aid for less developed coun- ries. Each of these is worth careful considera- ion, for they are not always understood and yet nust be understood if the Government and the cientific community are to fulfill the obligations nd opportunities ahead of us in these areas.

olitical Impact of Scientific Leadership

First, that matter of scientific leadership and ts political impact. Scientific and technological rogress has acquired status as the symbol of trength because of its obvious relation to military ower as well as to productivity and the good life. This is in evidence within our borders and every- vhere beyond. The striving to emulate Ameri- an scientific and technological progress has be- ome an ambitious and urgent goal for countless nillions of people, including, I might note, the Soviet Union.

But unfortunately it is the technological spec- aculars which tend to be used by the public at arge, and often the press, as the sole measure of cientific as well as technological prowess and hus of military power as well. Achievements n outer-space activities are, of course, the prime xample of this. Perhaps a few comments about ur space and missile program in this light are in rder.

As has been emphasized by Dr. Herbert York, nd as you well know, an intercontinental ballistic nissile capability is not necessarily dependent on uge rocket-booster vehicles capable of sending nultiton payloads into space. To the general ublic, both in this country and certainly abroad, his is not well understood. The Soviet Union, f course, has not been lax in attempting to con- use the issue. Our development of long-range ockets began late because our military planning was founded on air-breathing engines. To move ahead as rapidly as possible in ballistic missiles, we chose—and wisely, I believe—to make our missiles as compact as possible to deliver warheads of adequate yield. We could do this with an ICBM with a thrust only one-half that of Soviet ICBM's because of our advanced nuclear weapons technology.

In this we have been successful; first the IRBM's and now the Atlas missile are perfected and are operational. But the planning and pre-occupation with smaller missiles, adequate to do the military job required, led to rocket vehicles with inadequate thrust to send spectacular pay-loads into space. We did not begin work on large rocket boosters until it was too late to match past Russian performance in outer space. But it is important to remember that the extra-large rockets are not required for our long-range missiles; hence, our deficiency in outer-space payload capa-bility does not indicate an inferior military capability.

Another important fact must be kept in mind. That is that our scientific studies of outer space, accomplished with smaller rocket boosters, have enjoyed unprecedented successes. Our scientific achievements in space have easily matched those of the Soviet Union, notwithstanding the greater publicity given to the Soviet technological spec-taculars. This, I believe, is generally recognized by the world's scientific community. In addition we are now making rapid progress toward prac-tical applications of "near-outer space" for the benefit of all nations and people.

I do not suggest that we accept a secondary role in future outer-space activities requiring large rocket boosters. We cannot ignore the very real political implications of various spectacular ac-complishments in outer space that have come to have symbolic meaning to the world at large. We are indeed moving ahead rapidly to develop boost-ers for space exploration missions requiring very large payloads and are vigorously pursuing the man-in-space program. But we must accept the technical reality that, despite a vigorous national effort to develop such boosters, there are limits on how quickly the gap can be closed and these limits are largely set by technological factors. In the meanwhile there are for us major opportunities to carry out sound and exciting programs in space science and technology that will redound to our

national benefit in terms of enhanced prestige and welfare. For example, the development of meteorological satellites could prove to be of great benefit to all nations and could substantially contribute to our scientific and technological stature throughout the world.

To repeat: We cannot accept a secondary role in future outer-space exploration. But true leadership must be seen in the context of far broader efforts. We must be constantly aware that our strength lies in excellence spread over a wide scientific and technological base. It is a feature of an authoritarian form of society that its government can concentrate efforts in narrow fields. If the total strength of such a society is substantial, as is that of the Soviet Union, then what one might term temporary technological superiority can be achieved by it in selected directions. So long as this superiority is temporary, so long as it does not permit a vital military advantage, and so long as it is not across a broad front, there is no need for alarm; but we must increase our efforts to cancel out imbalances that arise and are significant. On the other hand, we must not permit ourselves to be stampeded into overemphasizing one area at the expense of others. We must constantly bear in mind the sound military doctrine not to accept battle on the field of the enemy's choosing. Rather, we must continue to move across the entire broad front of scientific and technological advance. Thus, as a nation, we will remain a world leader.

Significance of International Activities

Let me turn to the second aspect of the relation of science and foreign affairs on my list, the significance of international scientific activities to the relations between nations. Here, I think, is perhaps the most important of the roles science and scientists can play in today's embittered and divided world—not a new role in the sense that international activities of science are part of the lifeblood of science but new in its potential impact on political relations.

For science is today one of the few common languages of mankind; it can provide a basis for understanding and communication of ideas between people that is independent of political boundaries and of ideologies. Over time these personal relationships established with Soviet scientists, who form a major portion of Russia's intellectual elite, can provide a bridge between our cultures and perhaps bring about a gradual erosion of the militant aspects of Communist ideology.

Science also provides a sometimes unique opportunity for cooperative endeavors that can contribute in a major way to the reduction of tension between nations and, more positively, to close relations between the U.S. and other countries—all this, of course, in addition to offering a way for cooperative attack on problems of interest to all nations.

This has been recognized many times before, and I can point to many activities of the Government and private scientific bodies that further these goals: normal international scientific union activity, the IGY [International Geophysical Year], the exchange agreement between the National Academies of Sciences of the U.S. and U.S.S.R.,[2] the very recent McCone-Emelyanov agreement,[3] the U.N. atoms-for-peace conferences, and many, many others. However, the question must be asked whether we are doing enough in this area and particularly whether the Government is sufficiently active in terms of projects of its own, in support for nongovernmental activities, and creation and preservation of the necessary conditions for effective international scientific activity. What are some of the issues that face the Government in this area?

The most obvious is how to balance the resources for international scientific projects against domestic scientific needs. Should the Federal Government be doing more itself internationally or should it support private efforts only? In either case, can you justify international support when there are good scientific projects lacking sufficient support within the country? A good illustration of this problem is presented by the scientific program in the Antarctic. The Government had to face the question of setting the level of Antarctic activity in the knowledge that the funds for that program would detract in some measure from the support of deserving programs

[2] For background and text of agreement, see BULLETIN of Sept. 7, 1959, p. 350.

[3] For a memorandum on cooperation in the utilization of atomic energy for peaceful purposes, signed by John S. McCone, Chairman, U.S. Atomic Energy Commission, and V. S. Emelyanov, Director U.S.S.R. Main Administration for the Utilization of Atomic Energy, see *ibid.*, Dec. 28, 1959, p. 958.

ithin the U.S. There are few guidelines for the ›propriate scientific level of activity in Antarc-›a, just as there are few guidelines for the appro-›iate level of activity in specific scientific fields. In fact, the problem of the Antarctic is not dis-›milar from that of outer space, except for the ›ther wistful observation that we now have a ›eaty reserving the Antarctic for scientific re-›arch.[4] Political considerations are important setting this program level also. These consid-›ations relate to the stature and scope of our ef-›rt relative to that of other countries, particu-›rly the U.S.S.R., and, in the case of Antarctica, ›e relation of research to possible territorial ›aims. And so the Antarctic program is set an orderly, sound, scientific effort but with po-›ical awareness that there are other attributes to ›e scope and excellence of the U.S. effort there.

›lateral vs. Multilateral Arrangements

The appropriate means for carrying out inter-›tional activities comes up time and again. Can be handled through the scientific community in ›e way that ICSU [International Council of Sci-›tific Unions] planned and organized the ›Y?[5] What is the appropriate role for the .N., for UNESCO, for NATO? Should it › a government-to-government project because the resources required? And if so, are bilat-›al or multilateral arrangements to be ›eferred?

A recent example may be illustrative, if I may › pardoned for referring to space science once ›ain. When establishing the U.N. Outer Space ›ommittee, the suggestion was made that the ›mmittee should be responsible for conducting ›ter-space research itself or at least planning ›search on an international scale. Notwith-›anding our strong desire for international coop-›ation in space, this was thought to be clearly appropriate. Because of the large resources ›quired to provide boosters for space exploration, was considered necessary to keep the final de-›sions regarding space flights in the Govern-›ent's hands. On the other hand, international ›ientific planning and cooperation was clearly desirable at the scientist level, without the complex governmental machinery of the U.N. that would inevitably have to face political issues. Therefore, the U.N. Committee will be concerned with the mutual exchange and distribution of information, the study of legal problems of outer space, the conference on outer-space exploration, and the general encouragement of space science.[6] NASA [National Aeronautics and Space Administration] will make formal agreements with foreign governments for scientific cooperation, but both the U.N. and NASA will look to the Committee on Space Research of ICSU for the scientific cooperation and planning to bring about effective international scientific collaboration.

The issue of bilateral versus multilateral agreements, I'm sure, is also one that interests many of you at the present time in view of the recent U.S.–U.S.S.R. agreement in peaceful uses of atomic energy. Notwithstanding the very real gains we may achieve through increased contacts with the Soviet Union, I'm sure most of you would agree that we must avoid any series of moves that would create a U.S.–U.S.S.R. scientific axis. Thus it was carefully stated in the agreement with the U.S.S.R. that any joint projects would be carried out under the aegis of the International Atomic Energy Agency, where all member countries could participate. Clearly, what may be now the finest high-energy physics facility in the world—CERN [Conseil Européen pour la recherche nucléaire]—should be included in activities under the agreement.

A receptive climate for international scientific activities requires Government action too or, in some cases, lack of Government action—in a positive sense. Science must not be sacrificed to political expediency, or ignored for political expediency, because to do so would be like canceling one's life insurance on account of temporary financial straits. We must be ever certain that science is adequately represented in those areas where policy will impinge on science so that considerations of science will be included in policy formulation. International scientific activity, for example, has moved historically without regard for political boundaries, and this is one of its great strengths. This traditional nature of sci-

[4] For background and text of treaty, see *ibid.*, Dec. 21, ›59, p. 911.

[5] For an article on "The International Geophysical Year Retrospect" by Wallace W. Atwood, Jr., see *ibid.*, May , 1959, p. 682.

[6] For a U.S. statement and text of a resolution establishing the U.N. Committee on the Peaceful Uses of Outer Space, see *ibid.*, Jan. 11, 1960, p. 64.

ence must not be neglected or forgotten, as it all too often is, in the application of restrictions to be placed on the free movement of individuals among nations. Nothing will erode our basic traditions and our scientific leadership—and our influence—more quickly than a willingness to sacrifice basic, long-term beliefs for short-term political considerations.

In the same vein the needs of science must be adequately represented in international as well as domestic policy formulation. Radio-astronomy recently almost came to an untimely end simply through negotiation of an international treaty on frequency allocations without adequate recognition of the needs of this young science for listening "windows." Through the good offices of the National Academy of Sciences it was possible to bring scientists and the appropriate Government officials together in time to establish a U.S. position for the Geneva ITU [International Telecommunication Union] conference compatible with the needs of the radio-astronomers.

International scientific activities thus carry with them many problems for Government, but their benefits far exceed those problems. To achieve the benefits, however, requires that we be alert to the opportunities and that we be prepared to make some of the necessary policy decisions and commitments of resources.

Technical Components of Arms Control Measures

Earlier in my talk I mentioned, as a third new element in the relation of science to foreign policy, the importance of the technical components of prospective arms control measures.

The negotiations on nuclear test cessation have shown the importance of scientific and technological factors for the formulation of national policy in this area. These factors had to be evaluated by *ad hoc* groups that found a dearth of experimental data on which to base their conclusions. A similar *ad hoc* approach had to be employed regarding certain phases of the conference on the problem of reducing dangers of surprise attack, in which I participated more than a year ago. The fact that scientific advice and evaluation were used in both these attempts to reduce military tensions is, in itself, important. It is a sign of the changing attitude and the growing awareness on the part of policymakers that technical considerations and knowledge are essential for the formulation of sound concepts for arms limitation meas ures—just as they are in formulating developmen plans for military hardware.

The success of future negotiations to reliev tensions by arms limitation agreements will de pend in some measure on the understanding of th capabilities of proposed multilateral monitorin systems and on the understanding of inherent lim itations of any monitoring system in a world o rapidly advancing technology. The limitation of technical analysis need also to be fully unde stood. There is no doubt, for instance, that th reliability of monitoring systems is largely technical question. But the adequacy of suc systems, from the point of view of national se curity, is not. It is a politicomilitary questio Similarly, deterrence is not a scientific concept bu a politicomilitary one. And we must realize tha political issues or disagreements cannot be re solved by technical agreement on facts; th political questions of national interest remain. think it is well that these issues be understood b the public as they are being understood by th policymakers. Especially we, as scientists, mu understand that we can contribute but one of se eral inputs that are essential for the formulatio of sound national policy.

Science and Technical Aid

I come now to the fourth, and last, of my li of new relations of science and foreign polic which I called the relation of science to technic aid for less developed countries.

The foreign aid programs supported by th United States are powered by a matrix of motiv tions made up of altruism, a belief that it is to ou best interest to strengthen independent nation and a desire to contain menacing philosophie Motivation notwithstanding, it is evident that an program, any experiment, will fall short of succe unless it is soundly conceived, soundly planne and soundly executed.

In helping to achieve a sound aid program w as scientists, must not think in terms of develo ing only the more advanced scientific capabilit of other nations, which is often a reflection of o own standards and comfortable abundance. W must try to strike a balance between basic nee and sophisticated development. This requires a appreciation of how science and engineering d velop within a nation. The history of science

any lands has not been written beyond the pro-
g. We must, for instance, be aware of the long-
rm relation between primary and secondary
hool education and advanced research institu-
ons.

We do little good to provide only for esoteric
search facilities when a nation lacks roads, gen-
al practitioners, and machine operators. Of
urse we do a disservice also when we ignore the
lvanced educational institutions that set a na-
on's standards, provide its teachers, offer a future
r gifted citizens, and bring prestige to a nation
a region.

tional Academy's Report on Sub-Sahara Africa

I would like to digress a moment to commend
your attention a recent report, prepared by the
ational Academy of Sciences–National Research
ouncil for the International Cooperation Ad-
inistration, entitled "Recommendations for
rengthening Science and Technology in Selected
reas South of the Sahara."[7] Our Committee
he President's Science Advisory Committee]
imulated the undertaking of this important
udy, to be viewed as an experiment. It is an
itline of how assistance of a technological type
ould be designed to be properly utilized. It is
intelligent and realistic attempt to strike the
cessary balance between the basic needs and
phisticated wants, within a framework of lim-
d resources from within and without an area.
is also an attempt—a very successful one, I be-
ve—to show how a scientific approach can be
ed in the early planning stages of aid programs.

The reading of the report will have a sobering
d disturbing, if not a frightening effect, on
inking individuals. It treats with selected areas
sub-Sahara Africa, a land mass equal to that of
e United States and with a population one-half
at of our Nation—and this is only part of all of
b-Sahara Africa. It is an area which, within
r lifetimes, will be transformed into a multi-
icity of independent nations which, collectively,
ll greatly influence world affairs. What is par-
ularly disturbing about this study is the reve-
tions of extreme shortages that still exist in this
gion: the nearly complete lack of public-health
easures and medical services, of communications
and transportation, of the means for earning an income, of even the most elementary educational facilities.

Clearly these embryonic nations need educated people in large numbers to provide not only civil servants but an understanding electorate to carry them along the path to democracy. But how can the needs for higher education, for M.D.'s, for engineers, for political scientists, for so many other specialists be properly balanced against the needs to provide even the most primitive health measures, to provide teachers for the many millions of illiterates, and to train artisans and skilled laborers without whom the standard of living cannot rise? Against these multiple desperate needs, indigenous efforts, our aid, and the aid of others, appear so utterly inadequate that one becomes fearful lest decades will pass before the level of education and the standard of living will rise enough to make democracy viable. The question then comes to mind: Will the awakening of latent desires permit democracy the time—that is so inherent in its evolutionary nature—or will this region fall prey to the legerdemain appeal of revolutionary authoritarianism, especially Communist ideology?

For a research scientist this report will have a sobering influence: It will impress upon him that he is a luxury that can, and must, be afforded by an advanced nation like ours. But in Africa south of the Sahara, a nurse, an elementary school teacher, a technician—these are the luxuries!

Science impinges on aid to technologically more advanced nations also. Various government departments have for many years supported research overseas. By and large, these programs have been well run. Such programs raise some serious issues for consideration, however, for outside support of science in a given country affects the relationships between that government and its citizens and universities. Some programs, even those in support of basic research, are welcomed by many foreign scientists and yet cause affront to others. We must, therefore, consider the effects of such programs on all who are concerned and especially on the natural growth of the scientific communities in the recipient countries. Does such support, for instance, actually retard the development of a healthy relation between science and government in other countries? What commitments for continuity of support are we making once foreign scientists have become dependent on

[7] Copies of the report are available from the Office of
ternational Relations, National Academy of Sciences,
01 Constitution Ave., Washington 25, D.C.

U.S. support, commitments from which it may be impossible to withdraw or which may cause hardship should withdrawal be necessary? What is the effect of our support on the pattern of research in a given country? And is the manner in which our support is given in this area best calculated to further good relations between the scientific communities of other countries and the United States?

We are not the only ones who are aware of these problems. In its most recent annual report, the United Kingdom's Advisory Council on Scientific Policy, addressing itself to just these questions, had this to say about U.S. research support:

> Whilst we warmly welcome this substantial financial support for research in this country, we recognize that research grants, and particularly specific contracts, of this magnitude (one and a quarter million pounds annually) must have a considerable influence on the general pattern of research undertaken. We, therefore, consider it desirable that the various bodies concerned with the financing of research in our universities and other institutions should be aware both of the extent and the purpose of these numerous United States research grants and contracts. We are glad to be able to record that the United States authorities have fully appreciated the position and have shown themselves ready to cooperate with us. . . .

Of course there are no general answers to most of the specific questions raised, for they vary with the country concerned and with the manner in which our support is given in each country. But these questions need to be asked—and answered—before support is provided. These programs cannot be operated independently of foreign policy considerations.

Role of Scientists in Policymaking

I have attempted here to outline some of the ways science can contribute to foreign policy and the effect of policy considerations on science. But to integrate the scientific with the political, economic, military, and other factors that make up foreign policy operations requires, above all, competent people who understand the relationship of science to these other factors.

If we appreciate our responsibilities, we, as scientists, may well have an important role to play in the future in the policymaking process. I think it will be a different role than the one to which we have become accustomed. I think it will demand a new breed of public servant, although I am at a loss to find the appropriate name for him. The term "political scientist" has been preempted fo a very different use than I have in mind. I ar sure that none of us would want to be called "sci entific politicians," and few indeed would dare t lay claim to "scientific statesmen." But there is significance here that is far more important tha finding the right name. The role I foresee de mands that this new breed of citizen-scientist b continually aware that the scientific communit must accept its appropriate share of the respons bility for the intelligent and successful resolutio of the challenges facing the world.

Another kind of individual must be recruite too: an individual with training in science in add tion to the usual disciplines of the Foreign Servic The general presumption is that science is so sp cialized that the only way to provide scientif inputs to policy formulation is to obtain advi from practicing scientists on an *ad hoc* basis needed. I submit that, as valuable as such advi is, it does not fill today's requirements for a co tinuing and intimate involvement in the polic making process of competent people who also u derstand science and its significance to policy a who could therefore work effectively with t practicing scientists supplying the specialized *hoc* studies.

Perhaps science and engineering graduat should be attracted for regular careers in t Foreign Service and in our other overseas pr grams. I believe we must also provide a bett scientific background for nonscientists in the int national affairs field and that this, perhaps, is t most important measure of all. Essential to the efforts is the development of an academic field teaching and research in the interrelationship science and foreign affairs, to be able to educa properly and to understand better the underlyi significance and opportunities of this relationsh

These are not easy tasks nor ones that can accomplished overnight. Unlike toasters, auton biles, and television sets, we cannot push a b ton to mass-produce diplomats in striped pa and laboratory coats.

In discussing international relations the Ame can historian Julius Pratt states:

> Neither the tools of diplomacy nor the tools of fo can be suddenly improvised for use in crises. They m be kept in a state of readiness for use. The success o nation's foreign policy will depend, in part, upon efficiency and the readiness of the instruments w which that policy is pursued.

/e, as scientists, must do all we can to help keep ıe tools of our diplomacy and the tools of our ɔrce in efficient readiness.

We have entered a new era, a scientific revolu-on, as C. P. Snow terms it, in which science and ·chnology are transforming our way of life and ıe relations between nations. As practicing sci-ıtists, we cannot stand aside and simply watch ıis process, regardless of where it takes us. We ;ust and we can use science and technology to ɔhieve the humanistic goals of our free society. et us learn to take better advantage of the op-ɔrtunities science offers to contribute to our striv-:g for peace in our international relations and to ıproving the lot of man throughout the world.

'he Threat of Fallout Danger ı Relation to Foreign Policy

.emarks by Secretary Herter[1]

There has been much discussion concerning the 'esent and anticipated military capabilities of ı e Soviet Union. By their actions and by their ıatements the Soviet leaders have made it amply ɜar that on the basis of their powerful military ɔsture, and the threat it poses, they hope to in-ıce the free world to accept the Soviet prescrip-ɔns for the settlement of outstanding interna-ɔnal issues.

As you know, we will soon embark on a new 'und of negotiations with the Soviet Union at 'e highest level;[2] and even before the heads of ɔvernment convene in Paris in May, representa-/es of 10 free-world and Soviet-bloc countries ·ll begin a new effort in Geneva to reach agree-ɜnt on disarmament.[3] This Government, to-ther with its NATO allies, is now engaged in .instaking preparations for these complex nego-ıtions. We are firmly committed to the proposi-ɔn that the outstanding issues between ourselves .d the Soviet Union should be approached ound the negotiating table without threats, ultimatums, or attempts by one side to dictate terms to the other. Our policy is summed up by the words which President Eisenhower used so frequently during his recent trip abroad: peace with justice.

However, our relations with the Communist world since World War II have made clear beyond a doubt that our search for equitable solutions and for a meaningful peace must be predicated upon a strong defense posture of our own. We must assume that weakness on our part, or merely the supposition on the other side that we are neglecting our military defenses, serves neither peace nor the cause of freedom and justice. It is for this reason that over the years we have developed a substantial military capability for retaliation. Until enforceable agreements which are properly safeguarded and effective mechanisms for international law and order provide an alternative means of guaranteeing peace and freedom for the peoples of the world, this military capability will be maintained and strengthened.

A vital part of our military strength for peace must be an effective civil defense program which, in conjunction with our retaliatory capacity, creates a strong deterrent to possible enemy attack upon the United States.

If, despite our earnest efforts at the negotiating table and our defense preparations, we should nevertheless be subjected to nuclear attack, civil defense and measures for fallout protection offer the most practicable and feasible means of saving the greatest number of lives. Numerous studies have shown that such a program would give a substantial portion of our population an excellent chance of surviving and hence provide us the opportunity to continue the fight successfully. In other words, a capacity to retaliate will be reinforced by an effective capacity to survive. And only thus can our defense posture serve as a convincing deterrent.

This conclusion of course has relevance to our foreign policy and to the conduct of our foreign relations. I believe this interrelationship is aptly described in a study made by the Rand Corporation and presented to the House Committee on Government Operations for one of its recent reports on civil defense.[4] In it we find the following statement:

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[1] Made at the White House Conference on Fallout Pro-'tion at Washington, D.C., on Jan. 25.

[2] For background, see BULLETIN of Jan. 18, 1960, p. 77.

[3] For text of a communique issued on Dec. 21 by the 'eign ministers of Canada, France, Italy, the United ngdom, and the United States, see *ibid.*, Jan. 11, 1960, 45.

[4] H. Rept. 300, 86th Cong., 1st sess.

There is an enormous difference in the bargaining ability of a country which can, for example, put its people in a place of safety in 24 hours' notice, and one which cannot. If it is hard for the reader to visualize this, let him just imagine a situation where the Russians had done exactly that and we had not. Then let him ask himself how he thinks we would come out at a subsequent bargaining table.

There is evidence that the U.S.S.R. is stepping up its civil defense program. Combined with a substantial program for air defense, it provides Soviet negotiators with a good deal of assurance that their homeland will be able to withstand attack. A similar assurance with respect to our own country would clearly strengthen our defensive position.

What I have said not only has serious implications for our own military and diplomatic posture; it applies to our NATO partners as well. We participate actively in the various NATO committees which deal with civil emergency planning, and much progress already has been made. Some of our NATO allies and other friendly European countries are further advanced in fallout protection than we ourselves. All of us recognize, however, that further progress is needed before civil defense can achieve its full potential as a deterrent against enemy aggression.

We count on our NATO allies to remain firm in the face of any aggressive threats. An effective program of fallout protection will provide further support for their determination to do so. But, if we expect them to take further measures to protect their own populations, we should not lag behind.

As I have said, any additional measures which we can take to minimize the fallout danger will reinforce our country's defense posture and, thereby, its political and negotiating strength. It is my earnest hope that we can make prompt and substantial progress in this direction.

U.S. and British Scientists Discuss Cooperation in Space Research

The National Aeronautics and Space Administration and the British Information Service announced on January 25 that scientists of the United States and Great Britain had reached informal agreement on six experiments which the first joint U.S.-British earth satellite will carry. The decision was based on an agreement in principle made last July between the two nations to unite in a cooperative scientific program of space research. This had followed a U.S. offer made through COSPAR (the Committee on Space Research of the International Council of Scientific Unions) to cooperate with other nations in space experiments.

The first jointly sponsored satellite will contain these experiments: ion and electron studies by probes to measure electron temperature and concentration and ion mass spectrum; electron density measurements; solar radiation studies and primary cosmic ray measurements. These experiments were reviewed by COSPAR and then transmitted to NASA.

The launching vehicle for the satellite will probably be the four-stage Scout rocket, which is expected to be operational this year. Although no firm date has been set for the first joint experiment, it is planned for late 1961.

U.S. Comments on Declaration by Warsaw Pact Countries

Statement by Lincoln White
Director, Office of News[1]

The declaration repeats once more the proposal for a treaty of nonaggression between NATO [North Atlantic Treaty Organization] and the Warsaw Pact. The United States, for its part, regards itself as bound by the obligation it undertook when it signed the United Nations Charter not to have recourse to force in the settlement of international disputes. The United States' participation in NATO and other regional defense organizations is based upon its conviction that such organizations of free-world countries contribute to the realization of this goal through the successful demonstration that aggression cannot hope to succeed.

We would be gratified by any move of the Soviet bloc which would provide practical confirmation of the frequently repeated disavowal by the Soviet Union of aggressive intentions. We find such d-

[1] Made to news correspondents on Feb. 5 in response to a query concerning a resolution signed by the Warsaw Pact countries on Feb. 4 at Moscow.

vowals, however, difficult to reconcile with the epetition in the Warsaw Pact's declaration of the Soviet threat to take unilateral action with regard o Germany.

The forthcoming 10-nation disarmament negoiations at Geneva[2] will provide an opportunity or the Soviet Union to demonstrate the sincerity of its peaceful professions in a concrete manner by joining in the working out of safeguarded measures of disarmament. We are approaching these negotiations in the belief that the cause of peace can best be served by the adoption of specific enforceable measures. We trust that the Soviet Union will do likewise.

Progress Through Cooperation in Latin America

by R. R. Rubottom, Jr.
Assistant Secretary for Inter-American Affairs[1]

This meeting of the Southwest Institute of Inernational Education has for me combined high rivilege and great happiness. It is rare indeed hat one is privileged to speak to a group so disnguished and so dedicated to a worthy cause, hat of improving international understanding. t is also a joyful occasion when I can return to ıy home State and rub elbows with old friends nd see with my own eyes the truth behind Texas' abulous growth—a growth in which Houston itelf has played such an outstanding role. There is robably no better example of the putting to productive use of vast material resources and vigorus, imaginative human resources.

Similar resources exist throughout most of atin America, where there is scarcely a country, otwithstanding the challenge of tropical jungles nd rugged mountains, that does not have rich atural resources in its land and subsoil. And bove all, this vast region has millions of hardorking, God-centered people endowed with reıarkable intellectual qualifications. I say this ith full recognition of the risk in generalizing bout such a vast region, where there are, of ourse, sharp ethnical, cultural, and national distinctions. Accepting the fact that such resources are available, albeit in varying degrees from country to country, the challenge before the hemisphere is how to put these resources to the rapid and fruitful use of the peoples of the Americas.

Tonight we might consider three approaches to this challenge of maximum utilization of the resources available to the Americas. Obviously this involves more than economic development, although this is a vital sector and the one on which predominant attention has been focused. It is clear to us all that, if economic development is to be achieved, a nation's people must also be in good health, of sound mind, and sparked by an inner spiritual drive. Need I say also that these attributes, both individual and national, thrive and grow best in an atmosphere of freedom. Indeed, while making due allowances for the enormous tribute extracted from enslaved peoples down through the centuries, and especially today, history is replete with accounts of the downfall which has inevitably overtaken those regimes which stifled freedom. Moreover, in this vast hemisphere called America no aspiration comes ahead of that for freedom. It will come inexorably to those who are denied it.

Let us first consider each country's responsibility for its own total development. Now obviously we should not and cannot tell others how they should do their job. It is quite properly their own

[2] For background, see BULLETIN of Jan. 11, 1960, p. 45.
[1] Address made at the sixth annual educational exchange inner sponsored by the southwest regional office of the nstitute of International Education at Houston, Texas, n Jan. 26.

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national responsibility. However, we can analyze our past experiences, including our mistakes, and try to draw some conclusions that might be helpful to others as well as ourselves as courses for further action are being charted.

Need for Sound Policies

One thing we have learned is that there is no substitute for sound, realistic policies. Moreover, we now know that the Government must set the example in the formulation of its policies so that individual citizens, as well as corporate entities, may with assurance chart their own courses of action along the most productive lines. The greatest depressions of the late 19th century, as well as the one we suffered 30 years ago, were due in considerable part to unsound national policies which permitted unbraked inflation to become a widespread speculative fever throughout our country. We now know that Federal and State budgets need to be balanced just like those of individual families. We now know that unrestricted credit can speed the day of devaluation and even the wiping out of savings.

Our search continues to be for a properly balanced approach to the national economy. Here I would like to distinguish between sound government fiscal management and unsound state control of the economic activity of the country. We in this country are devoted to the private-enterprise concept of development. We believe in the maximum degree of freedom for the individual to work, to save, to invest, to give, and to partake of the fruits of his labor. In fact, the economic freedom which is the concomitant of private enterprise is inseparable from the political and religious freedom which we also hold dear.

In this respect it is interesting to recall the role of foreign private investors in the forward progress of the United States. One hundred years ago this great march began. We had vast wilderness to be developed, and we wanted to do it in a hurry. It was clear that we could not do it by ourselves. So we permitted, indeed invited, foreign nationals to help us do the job. The money poured in—pounds, francs, guilders, marks, lire, and pesos, too—hundreds of millions. We developed, and they made profit. We were a debtor nation, in fact, for the first 150 years of our existence—until after World War I. One remarkable part of this story is that we never found the foreign investors to be an impediment to the full exercise of our freedom or our sovereignty. It is against this background that we should consider the role now being played by American investors in Latin America.

Bilateral Economic Cooperation

At this point I wish to examine a second approach to total development; namely, what countries can do in cooperating with each other in bilateral relationships and specifically the role of the United States in this respect. As pointed out earlier, in generalizing about Latin America we must not overlook the fact that it is made up of 20 different sovereign entities. We place a very high priority on our relationships with each country in the area. In Brazil, Mexico, and Argentina we have three of the largest embassy staffs that we have anywhere abroad. I do not need to dwell on the complexity of today's relationships with all these countries, but there is hardly any subject which does not come up for discussion with our Latin American neighbors from time to time.

In 1942, shortly after the outbreak of World War II, we began our technical cooperation program in Latin America, and it has since spread throughout the world. In recognition of the broad national base which is required for total development, the first technical cooperation programs were in the fields of public health, agriculture, and education. These programs are still important, but the programs have now been broadened to deal with problems in many other sectors. Rather than provide you with figures as to total amounts of money spent in the technical cooperation field during the past 18 years I would prefer to provide you with a few examples of the impact of these programs on the countries and the individuals involved. These are truly exciting stories of progress through cooperation.

In Bolivia, in areas where farmers previously lived on a subsistence level due to antiquated farming methods and primitive farming equipment, our technical cooperation program has brought about a revolutionary change. Through our supervised credit program, 255 farmers in the Santa Cruz area joined in a project which greatly increased the agricultural production of their lands. This dynamic project increased the

180 percent the land under cultivation in that area. This has not only proven to the farmers the usefulness of modern farming methods but, equally important, has stimulated interest in other areas.

The city of São Paulo in Brazil is certainly the major industrial center of that country and has sometimes been called "the Chicago of Brazil." Through a contract with the ICA [International Cooperation Administration], professors from the University of Michigan helped to establish a School of Business Administration at the Vargas Foundation in that city. This is the only school in Latin America offering a 4-year undergraduate program in business administration. By developing many of its own methods and techniques, and borrowing from other disciplines, the school is making a much-needed contribution to the industrialization of Brazil.

While the United States has had an established Civil Service for many years, many of the countries in Latin America have not had this tradition, with the result that they suffer from the lack of an established corps of trained government employees. This means that whenever governments change there is a massive turnover of government administrators and employees. The cooperative program which took place in Costa Rica in 1953 established a career Civil Service—which experienced no drastic personnel change after the elections in 1958, despite a major political change in administration.

In Colombia with ICA assistance ninety 4-H Clubs were formed, with 2,000 members ranging from ages 10 to 21. This has had a dynamic effect, for it has given the young people a means of cooperative self-improvement and has stimulated many locally conceived innovations which will aid the economic development of Colombia.

I could mention several other examples such as the 34 soybean milk distributing centers in the Amazon Basin of Brazil which are contributing notably to the provision of necessary protein dietary supplement for children, leading them to better health and increased vigor. I could also mention the marvelous results which have emerged from programs in several countries to cooperate in the planning and construction of potable water systems. And then there is the management association in Chile which is providing a forum for the exchange of views and technical knowledge of businessmen the country over, where by the end of 1959 more than 3,000 executives and middle management personnel had participated in seminars in management and productivity. While this work was begun by five United States professors, it is now being carried out principally under the direction of Chilean teachers.

Trade, Investment, and Loans

Having stressed the importance which we attach to providing a firm basis for total development by our technical cooperation approach to such problems as agriculture, health, and education, I should now cite some of the spectacular dollars-and-cents figures which show the extent of economic ties between the United States and Latin America. First we might examine trade. During World War II and the first few years afterward, while free Europe was being destroyed and then rebuilt, Latin America's trade with the United States increased six times. For the past 5 years trade in each direction between Latin America and the United States has gradually moved up from $3.5 billion per year to $4 billion per year. In 1959 there was some decrease in United States exports to Latin America, but this was overcome by an increase of approximately 10 percent in Latin American exports to the United States, notably increased purchases of coffee from Brazil, copper from Chile, and wool from Uruguay.

Next we might examine United States investments in Latin America, which now total more than $9 billion. For the past 5 years United States private investment has increased in the area at an average of approximately $600 million per year. It is vital that this high rate of investment continue, since obviously there are insufficient local funds to do the job without such investment. But for it to continue a favorable climate should prevail. Such a climate does prevail in most of the region, but we must take note of the fact that the entire area can be adversely affected by punitive action against foreign investors. When foreign investors are subjected to expropriation without prompt, equitable, and effective compensation, it is not to be expected that foreign investment will be attracted at the same rate as before.

Finally, on this point, I would like to mention United States public loans to Latin America. During the past decade the Export-Import Bank has loaned $2,667 million to Latin America, and in the life of the Bank more than 40 percent of all of its loans have been made to Latin American borrowers. If we add to this record that of the Development Loan Fund, the ICA and its special assistance programs, and the loans made under P.L. 480, the grand total is $3,567 million.

While I have stressed the role of private investment and given the reasons for so doing, I should mention here that we have loaned large sums to public entities in Latin America where private capital was not immediately available to do the job, especially in the case of steel mills, power projects, highways, and irrigation projects.

Multilateral Economic Cooperation

Finally I want to analyze a third method of responding to the challenge of total development—the multilateral way or, if you please, the inter-American way. I agree with all that has been said about the uniqueness of the inter-American system, which perhaps had its real beginning in our similar efforts to achieve independence from European mother countries just before and at the turn into the 19th century. There followed the meeting in Panama in 1825, the efforts of the Central American Confederation, the first halting meetings of the Pan American Union 70 years ago, and finally the drawing up of the charter of the Organization of American States in Bogotá in 1948.

Critics have tended to say that the inter-American system has functioned well in the political and security areas but that it has faltered when faced with the challenge of economic problems. Behind such criticism, in my opinion, there has been insufficient recognition of the complexities and difficulties involved in treating economic subjects. While it is true that there were frustrations attendant to the inter-American economic conferences at Rio in 1954 and at Buenos Aires in 1957, we should not overlook the progress that was made at those two meetings, particularly in the clear identification of the differing points of view which separated the various American states. In any case, there has been a noticeable and certainly commendable speedup in the inter-American approach to economic problems during the past year and a half.

Of major importance has been the progress made in multilateral consultations regarding commodity problems. Our Latin American friends have long been seeking some way of ameliorating the sharp fluctuations of prices in world markets for their basic commodities without doing violence to the normal laws of supply and demand. In June 1958 the Inter-American Coffee Study Group was formed to search for solutions to the problems attendant to that vital commodity. The United States, as the principal coffee consumer, was a participant. As a result of the efforts of that group, the Inter-American Coffee Agreement was negotiated, and in September 1959 an International Coffee Agreement was concluded. While coffee prices are still 50 percent less than they were a few years ago, relative stability has resulted in coffee markets due to this agreement. And this, in turn, has had a profound real as well as psychological effect in the 15 coffee-producing countries of Latin America. As a result of the relative success achieved in the consultations on coffee, similar efforts are now going forward in the case of lead and zinc, under the auspices of the United Nations, with a meeting now in progress in Geneva, and on the subject of cotton.

Another example of multilateral cooperation is the Inter-American Development Bank. Long an aspiration of our Latin American friends, the Bank will officially go into business this year following the first meeting of the Board of Governors scheduled to be held early next month in San Salvador.[2] The Bank will have several notable features: It will be strictly inter-American; it will be able to make both dollar loans and loans in other currencies; it will, we hope, be able to assist some of the Latin American countries who want it to plan and prepare loan projects. With the exception of Cuba, all of the American Republics are expected to participate in the organizational meeting of the Bank in San Salvador in February.

Another important milestone of multilateral cooperation has been that under the auspices of President Kubitschek's constructive and far-sighted initiative known as Operation Pan Amer-

[2] For background, see BULLETIN of Feb. 15, 1960, p. 263

a.[3] This program has been broad in scope and as been carried forward through two meetings ıder OAS auspices of the "Committee of 21." he last meeting at Buenos Aires last May[4] lopted a number of resolutions, the most impor- nt of which probably was that calling for de- iled economic studies of the countries of the mericas, of which 11 so far have requested such udies. Under this operation it is expected also ıat the Inter-American Economic and Social ouncil will undertake a more vigorous approach its responsibilities in assisting the countries in ıe hemisphere toward their development goals.

One of the concepts included in Operation Pan merica was that of the common market. This a simple name for a complex subject, as any- ıe knows who recalls the 10 years required for ıe European Common Market to get off the ound. However, effective steps are now being ken in the Americas toward the fruition of ommon-market dreams. In Central America ıree countries have just recently pledged their ombined efforts to this end, El Salvador, Hon- ıras, and Guatemala. In the southern tier of outh America seven countries are working to- ard a free-trade authority, and it is expected ıat Peru and Mexico may eventually join them. he United States looks with favor on all of these rojects as long as their goal is a higher standard f living for the people of the countries involved means of greater productivity, increased mpetition, and gradual reduction of trade strictions.

Referring back to the need for sound national olicies which I mentioned earlier, a common arket presupposes that all of the members will llow sound monetary and fiscal policies. If ıe member does not do this, it will inevitably ıuse serious difficulties to the other members.

It is virtually certain that the representatives f 7 of the 10 South American countries will meet ı February 4 to organize a Latin American free- ade area. We know that there must be a con- derable increase in intra-American trade if liv- ıg standards in Latin America are to rise, and ence we regard this movement with keen and mpathetic interest.

[3] For background, see *ibid.*, June 30, 1958, p. 1090, and ct. 13, 1958, p. 574.

[4] *Ibid.*, June 22, 1959, p. 931.

Negative Role of Communism

So far I have attempted to portray in broad outline the efforts being made by the United States, on its own and in cooperation with individual countries and through the multilateral auspices of the Organization of American States. I have stressed the necessity for laying a foundation for economic development, through greater productivity and better health and education, in an atmosphere of individual freedom.

It is generally agreed that the peoples of the Americas, similar to peoples elsewhere in the world, are unwilling to take no for an answer to their increasing demands for total development, both economic and social. The challenge is how to close the gap between their aspirations and their capacity to achieve them in freedom. We of the United States can and should do our part, although the major part of the job must be done by the people directly involved in each country.

In this race against time we cannot overlook the efforts being made by the Communists, and those playing the Communist game, to frustrate these aspirations of Latin America and bring about acceptance of social and economic philosophies completely incompatible with, and destructive of, its cherished traditional concepts of man and his activities. While the peoples of the Americas strive to achieve economic development in an atmosphere of freedom and while we seek, through both private and government channels, to aid this historic process, the Communists address increasing resources to subverting the area's aspirations. The Communist world makes no positive contribution to the advancement of Latin America but acts negatively, offering retrogression in place of progress.

Politically the Communist bloc seeks to destroy Latin America's total commitment to the support of the ideals of the West. This support is a reflection of the spiritual identification of America's peoples with the principles of the free world, and the Communists are dedicated to subverting Latin America's desire to advance within this framework. The Red efforts are aimed at eroding the position of the West by sowing doubt and confusion.

As the institution representing the solidarity of the American Republics in the quest for freedom and development, the Organization of American

States is a prime target for the Communists. The Communists seek to destroy its effectiveness through attempts to create American governments unsympathetic to its ideals. A first step sought by the Reds is the "neutrality" of key Latin American states in the struggle between the Communist and the non-Communist world. This rejection of Latin American traditions and ideals could then be followed by the encouragement of Communist-oriented movements to permit the actual domination of the country by the Soviet bloc. The Communists have not tried to hide the fact that their economics are an instrument of politics, and we must not forget that all economic activity in the bloc countries is under the direct control and management of government. Thus trade becomes, for the Communists, a naked political instrument to be used for the objectives we have just mentioned.

While following a deceitful and politically motivated economic policy in Latin America, the Communists also pursue corrosive political objectives. While the majority of the peoples of the hemisphere strive to meet their political aspirations by peaceful means, trying to put an end to the violence which has so often characterized their battles for freedom and representative government, the Communists stimulate violent extremists who would destroy the peace which the people need if they are to solve their problems. Wherever we have seen mobs and riots and looting by extremist minorities we have seen the Communists—either in front or behind. Nor are these Red provocateurs working on behalf of the local people and their desires to establish political institutions reflecting their own particular traditions. While the Communists claim to be patriots and nationalists, they act upon instructions from behind the Iron Curtain—instructions given by local staffs of Communist-bloc embassies, by couriers from behind the Curtain, and by leaders at conferences held both in the hemisphere and in bloc cities. Thus the Communists are not contributing to the growth of stable, orderly, representative political institutions to advance the Latin American nations. They are putting increasing energies into the negation of every political advance made by the American Republics since the wars of independence over a century ago, advances not only at the national level but in the field of inter-American cooperation which promises so much to the peoples of the hemisphere.

Another aspect of the Red offensive is what might be called "the search for respectability." The Communist Governments, including that of Red China, are engaged in intensive efforts to gain respectability and acceptability in Latin America. This intensified bloc campaign for the minds of the people of Latin America is now being carried on at a level of approximately $100 million per year.

The positive contributions which have been made and which continue to be made by the United States, through both governmental and private efforts, to the development of Latin America and the achievement of the aspirations of its peoples provide a marked contrast to the activities of the Communists in the hemisphere. We share the ideals and traditions of the other American Republics and devote impressive energies to their advancement, while the Communists seek only to destroy all that has been built and substitute alien doctrines and institutions.

Conclusion

I have sought this evening to outline in broad terms some of the major problems of our Latin American neighbors which relate particularly to their economic development. I have set forth some of the ways in which our Government and United States investors are contributing to the solution of these problems, contrasting this with the sinister policies and programs of international communism.

With sound policies, the United States can, and I am convinced will, be able to maintain a helpful cooperative attitude toward Latin America, where speedy development is so essential if the race between the so-called "population explosion" and the "revolution of rising expectations" is to be won. In the formulation of our national policies toward Latin America, there is a manifest desire on the part of our Government and United States public opinion to direct our efforts along those channels which can most effectively serve the long term interests of the other American Republics. We wish to see in each of them the development of strong viable economies, based on the will of the people as expressed through representative democratic governments.

The 1960-61 GATT Tariff Conference

by Honoré M. Catudal

"It is essential for the security of the United States and the rest of the free world that the United States take the leadership in promoting the achievement of those high levels of trade that will bring to all the economic strength upon which the freedom and security of all depends."[1] These words of President Eisenhower have been repeated in substance by the President many times.

In carrying out this role of leadership in the field of international trade, the United States in the fall of 1958 proposed that a new round of general tariff negotiations be held in 1960–61, within the framework of the General Agreement on Tariffs and Trade (GATT).[2] This proposal having been adopted by the countries which participate in the General Agreement, foreign trade experts in many countries over the world have already begun the painstaking preparations needed for a multilateral tariff conference of unprecedented magnitude and complexity which is scheduled to begin at Geneva in September 1960.

"A basic objective of the United States in putting forth this proposal," the President has pointed out, "is the establishment of a less restricted international trade which will foster greater strength and solidarity among the nations of the free world."[3] The reciprocal trade program is good for America, in the words of President Eisenhower, because it promotes jobs at home and peace in the world.[4]

For the United States the forthcoming tariff conference is of importance because it will provide opportunities to expand foreign markets for the products of our farms and factories by reducing trade barriers abroad. With the progressive dismantling of discriminations and restrictions imposed during the past decade on our exports for balance-of-payments reasons, tariffs are beginning to have increased significance in the world. The Geneva negotiations will give us the chance to bargain for tariff reductions abroad and thus strengthen the position of our export trade in an increasingly competitive world market. Of particular importance to our export trade will be the negotiations with the European Economic Community (EEC) directed at keeping the external tariff of the Common Market toward outside countries, including the United States, as low as feasible.

This article does not attempt to describe the details of the forthcoming tariff conference. Rather, its purpose is to explain the mechanics of the conference in simple terms so that nonexperts may follow and understand in a general way the methods, rules, procedures, and objectives of the conference.

In order to understand better the nature and scope of the forthcoming Geneva tariff conference, it will be helpful to begin with a brief explanation of the GATT.

What Is the GATT?

The General Agreement on Tariffs and Trade, or GATT, as it has come to be called from its initials, is an international trade agreement among virtually all of the important trading nations of

[1] BULLETIN of Jan. 24, 1955, p. 119.
[2] For a review of the 13th session of GATT, see *ibid.*, Dec. 8, 1958, p. 930.
[3] *Ibid.*, July 20, 1959, p. 83.
[4] *Ibid.*, Apr. 14, 1958, p. 591.

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the free world, including the United States. The GATT developed out of proposals by the United States for a "multilateral" approach to the solution of international trade problems, that is to say, an agreement among many countries, in contrast to the two-country or "bilateral" method.

After several years of intensive preparations, both here and abroad, including 6 months of continuous international negotiations among 23 countries at Geneva in 1947, GATT came into existence on January 1, 1948, as a "provisional" undertaking by 8 important trading countries, including the United States. Since that time additional countries have agreed to apply the GATT, until today 37 countries are contracting parties to the agreement and several more countries participate on an interim basis or have become associated with it.

While the GATT is a technical and complex document because the problems of international trade are technical and complex, the General Agreement can nevertheless be reduced to three simple essentials. First, it consists of tariff "schedules," or lists of "concessions" (i.e. named products for which specific tariff treatment has been agreed upon), with separate schedules for each participating country ("contracting party"). Second, there is a code of agreed rules, or "general provisions," governing the import and export trade of the contracting parties. Third, through periodic meetings of representatives of the participating countries, GATT provides a broad international forum for the friendly discussion and settlement of mutual problems of international trade.

GATT is the most comprehensive international agreement ever concluded for the reduction of trade barriers, considering the number of participating countries, the scope of its provisions, and the volume of trade affected. The 37 contracting parties together account for more than 80 percent of the international trade of the whole world.

The tariff *schedules* annexed to the GATT include some 60,000 items covering more than half of the total foreign trade of the world. These tariff concessions include reductions in import duties or commitments to "bind" (i.e. not to increase) specified duties or duty-free treatment, and, in some cases, the complete elimination of duties or the reduction or elimination of tariff preferences.

The *general provisions* of GATT provide a framework or code of principles and rules to safeguard and supplement the tariff concessions. Much of this code is applicable not only to the products listed in the schedules but to all the foreign trade of the contracting parties. It includes such basic rules as most-favored-nation treatment (i.e. nondiscrimination) in tariff, customs, and tax matters and a general prohibition against the use of import and export restrictions (i.e. quotas), together with agreed qualifications and exceptions under certain carefully defined circumstances.

The general provisions also deal with procedural matters, such as the accession to the agreement of new countries, the termination of obligations, administration, consultation, and various other matters relating to the agreement as a whole.

Scope of New Negotiations

As in previous general tariff conferences the forthcoming negotiations at Geneva will have as their aim the reduction of the general level of tariffs and other charges on imports through the exchange of reciprocal and mutually advantageous concessions. To the extent that particular contracting parties are able to negotiate mutually satisfactory concessions, negotiations may also cover certain nontariff barriers such as the protection afforded by import monopolies, internal quantitative restrictions (mixing regulations), etc.

The forthcoming tariff conference will include four categories of negotiations to be held in two stages. The first stage, which is scheduled to begin in September 1960, will cover (1) renegotiations with member states of the European Economic Community pursuant to GATT article XXIV, paragraph 6, and (2) certain renegotiations of existing concessions under GATT article XXVIII. The second stage, which is expected to begin early in 1961, will cover (3) negotiations among contracting parties for new concessions and (4) negotiations with countries invited to accede to the GATT.

(1) *Renegotiations With EEC Countries*

The first stage of the conference will provide a novel test of the GATT rules and those of the newly emerging European Economic Community.

The historic Treaty of Rome of March 25, 1957, which created the European Economic Community, or Common Market, aims at the complete

economic union of six countries of Western Europe—Belgium, the Federal Republic of Germany, France, Italy, Luxembourg, and the Netherlands.[5] The Rome Treaty provides, among other things, for the gradual elimination of all tariffs and quotas on trade among the six member countries and for the establishment of a common external tariff for the Community—in other words, the complete abolition of tariffs and other restrictions *within* the Common Market and the fixing of a single common tariff toward *outside* countries.

The six EEC countries are all contracting parties to the GATT, which contains explicit rules regarding customs unions, rules which are applicable to the Common Market. One of the most important of these GATT rules stipulates that the external duties and other regulations of commerce imposed at the institution of a customs union must not on the whole be higher or more restricted than the general incidence of the duties and regulations of commerce applied by the individual countries prior to their union. In other words, the formation of a customs union is not to be accomplished by generally *increasing* tariffs and other trade restrictions toward outside countries.

On the other hand, the GATT recognizes that the establishment of a single or common external tariff for a customs union to replace the several tariffs of the member countries is likely, in some instances, to involve increases in particular duties which are bound against increase in the GATT schedules. Accordingly, provision has been made in GATT article XXIV, paragraph 6, for orderly procedures for renegotiation of such bound duties. These procedures, while taking account of decreases in duties which may be made in arriving at a common external tariff for all the members of the customs union, provide for the granting of compensatory tariff concessions to offset increases in bound rates.

These GATT rules and procedures are to receive their first real test during the forthcoming tariff conference.

Perhaps a hypothetical illustration will help to point up some of the problems to be resolved in these negotiations. Many of the duties of the Common Market's external tariff will be established by a simple arithmetical average of the duties presently applied by the individual countries. Under this formula, for a product on which the present duty is, say, 10 percent in the Benelux countries (Belgium, Luxembourg, and the Netherlands),[6] 30 percent in France, 15 percent in Germany, and 25 percent in Italy, the Common Market duty would be 20 percent. Assuming that only the 30 percent or the 25 percent duty had been bound against increase, it is clear that the reduction of the French or Italian duties to the Common Market duty would involve no GATT problem. If, however, the 10 percent duty had been bound against increase in the Benelux schedule to GATT, a problem would arise as to whether the increase of this 10 percent duty, to the rate of 20 percent in the new EEC schedule, was offset by the decreases in the duties of the other members of the Community. There will also very likely be cases where it could reasonably be maintained that an increase in a bound duty for one product in the EEC schedule has been offset by a decrease in duty in that schedule on another product of comparable trade importance.

These and similar problems will be involved in the forthcoming tariff renegotiations with the EEC countries. At this stage no change in the U.S. tariff will be involved.

(2) *Renegotiations of Existing Concessions*

In addition to the renegotiations of bound duties with the Common Market countries, the first stage of the tariff conference (i.e. beginning in September 1960) will also include such renegotiations of particular tariff concessions in existing schedules as contracting parties may wish to undertake under article XXVIII of the GATT.

The procedures developed by the Contracting Parties under article XXVIII have provided a remarkable combination of stability and flexibility for the tariff schedules of the GATT. Under these procedures, on the one hand, there is in substance an agreement by the Contracting Parties to continue to apply generally their respective schedules for successive 3-year periods by refraining from using, except at the end of such periods, the right provided for in article XXVIII to modify or withdraw concessions.

On the other hand, recognizing that not every one of the thousands of tariff rates bound in the

[5] For an article by John A. Birch on the Common Market, see *ibid.*, July 20, 1959, p. 89.

[6] The Benelux countries form a customs union.

schedules could forever remain unchanged, article XXVIII does in fact authorize any contracting party, at the beginning of each 3-year period, to modify or withdraw particular tariff concessions in its schedule by renegotiating such concessions with the contracting parties primarily affected.

During the first stage of the forthcoming tariff conference, it is expected that some of the contracting parties will wish to make use of article XXVIII in order to make certain adjustments in their schedules on January 1, 1961, which will begin the next 3-year period of continued application or "firm validity" of the GATT schedules.

Under article XXVIII a country which desires to modify or withdraw existing tariff concessions may do so at the beginning of a 3-year period by negotiation and agreement or consultation with the countries with which the concessions were initially negotiated and with such other countries as are determined by the Contracting Parties to have a substantial trade interest in the particular products affected.

In such renegotiations a key guiding principle of article XXVIII provides that the negotiating countries will endeavor to maintain a general level of reciprocal and mutually advantageous concessions not less favorable to trade than that existing prior to the negotiations. In line with this principle the country desiring to modify or withdraw existing concessions usually seeks during the negotiations to obtain the agreement of the other countries concerned by offering "compensation" in the form of new concessions on items of comparable trade interest to the latter. However, if agreement is not reached that the compensation is adequate for the modification proposed, the latter countries are authorized to withdraw equivalent concessions initially negotiated with the country making the modification.

(3) *Negotiations for New Concessions*

The second stage of the tariff conference is scheduled to open early in 1961 and will be largely concerned with negotiations among contracting parties for new concessions. During this stage, negotiations will also be undertaken with countries invited to "accede" (i.e. to become contracting parties) to the GATT.

The forthcoming conference will be the fifth round of general tariff negotiations undertaken by the GATT contracting parties. Previous rounds were held at Geneva in 1947, at Annecy, France, in 1949, at Torquay, England, in 1950–51, and again at Geneva in 1956.

As in previous conferences it is expected that a substantial number of the contracting parties will participate in the multilateral tariff negotiations, particularly since these negotiations will afford an opportunity to exchange concessions with the European Economic Community and thereby reduce to some extent the external tariff of the Common Market.

Preparations for Negotiations—The procedures for the negotiations will follow the general pattern established in previous tariff conferences sponsored by GATT, with some adaptations, particularly those made necessary by the fact that the six member countries of the European Economic Community will no longer participate in the negotiations separately but as one entity.

In preparation for the conference each country that desires to participate submits to each other participating country with which it wishes to negotiate a preliminary list of the products on which it intends to request tariff concessions at Geneva. By August 1, 1960, the countries are to submit lists indicating the tariff rates they request. Each participating country is expected to be ready, on the opening day of the negotiations, to announce its "offers"—the concessions it is prepared to offer to other participating countries in the light of the concessions it is requesting. During this period of preparations, participating countries are expected to refrain from increasing tariffs or adopting other protective measures designed to improve their bargaining position in the negotiations.

Bilateral Bargaining—Initially, the negotiations will be conducted on a bilateral basis between negotiating teams representing pairs of countries, although the European Economic Community will be handled as one entity. When two countries are ready to begin negotiations, each will give to the other a list of the concessions it is prepared to offer. In making up its offer lists each country generally initiates negotiations with the country that is, or is likely to become, the principal or an important supplier of a particular product.

As in the past, negotiations will be conducted on a selective, product-by-product basis. This procedure affords an opportunity to take account of the needs of individual countries and of particular industries. Participating countries will be

free not to grant concessions on particular products, and in granting concessions they may agree to reduce an import duty or to bind it against increase at the existing level or they may undertake not to raise a duty above a specified higher level.

No country is expected to grant unilateral concessions or to grant concessions without receiving adequate concessions in return. On the other hand, it is understood that the binding against increase of low duties or of duty-free treatment shall in principle be recognized as a concession equivalent in value to the reduction of high duties.

Multilateral Phase—Although the negotiations are carried out in detail on a bilateral basis between pairs of countries, several procedures and devices will be employed to make the negotiations in fact multilateral. Thus, when offer lists are exchanged between the various pairs of negotiating teams, copies will also be sent to the delegations of all other participating countries. In this way each country, in determining the concessions it is finally prepared to make, can take into account those indirect benefits it may obtain from all the other negotiations as a group, since all contracting parties obtain the benefit of any concessions granted by one country to any other country.

Moreover, at the very beginning of the conference there will be established a Tariff Negotiations Committee, composed of representatives of all participating countries. The function of this committee will be to coordinate and facilitate the negotiations and thus to bring about the fullest possible multilateral effort to achieve the desired objectives. Upon the completion of the negotiations this committee will be responsible for drawing up the document which will incorporate the new concessions into the GATT and under which each contracting party will obtain a contractual right to all the concessions negotiated by each pair of countries.

(4) *Negotiations With Acceding Countries*

During the second stage of the conference, i.e. beginning in early 1961, along with the negotiations among contracting parties and with the European Economic Community, there will be negotiations with several countries which have been invited to accede to the GATT. Cambodia, Israel, and Tunisia have already indicated a desire to carry out negotiations for accession, and other countries may also participate.

In general the rules and procedural steps for the negotiations for accession are the same as those among contracting parties for new concessions. Thus there will be, first, the bilateral phase with the exchange of lists of offers and requests, followed by the multilateral phase. One difference arises out of the fact that, in granting concessions, acceding governments are expected to take into consideration the indirect benefits which they will receive from the concessions already exchanged between contracting parties in previous tariff negotiations, as well as those which will result from the new negotiations.

United States Participation in the Conference

The United States will participate in the forthcoming tariff conference under the authority of the trade agreements legislation and in accordance with procedures set forth in several Executive orders issued by the President.

Trade Agreements Authority

The Trade Agreements Act of 1934, as extended and amended, gives the President limited authority to enter into trade agreements with foreign countries whereby the United States agrees to reduce, or to bind against increase, tariff rates applying to specified imported products in return for concessions for products exported by the United States.[7] Under the Trade Agreements Extension Act of 1958 the President is authorized generally to reduce U.S. duties, in annual stages, by not more than 20 percent of the rates existing on July 1, 1958. Alternatively, he may reduce any rate by 2 percentage points ad valorem, or he may reduce to 50 percent ad valorem any rate which is in excess of 50 percent. The law likewise authorizes him to agree to "bind" (i.e. continue) duty-free treatment for articles on the free list or to bind existing duties.

The law prescribes three things which must be done before a trade agreement is concluded: (1) reasonable public notice must be given of intention to negotiate an agreement in order that interested persons may have an opportunity to present their views; (2) the President must seek

[7] For a two-part article by Mr. Catudal on "Trade Agreements Legislation: A Section-by-Section Analysis," see BULLETIN of Dec. 22, 1958, p. 1013, and Dec. 29, 1958, p. 1050.

information and advice from certain Government agencies having a particular interest in foreign trade; and (3) the President must seek "peril point"[8] recommendations from the U.S. Tariff Commission with respect to the products which are to be considered for the granting of tariff concessions by the United States in the proposed negotiations.

In addition to the foregoing requirements, recent legislation declares it to be the sense of Congress that, during the negotiation of trade agreements, the President should seek information and advice from representatives of industry, agriculture, and labor.

The Interdepartmental Trade Agreements Organization

In carrying out his responsibilities under the Trade Agreements Act, the President is assisted by a network of interdepartmental committees, so organized as to make available to him information and advice from all Departments and agencies of the Government concerned with foreign trade—from the technical level up to the Cabinet—and from the general public. Three principal committees have been established by Executive order: (1) the Interdepartmental Committee on Trade Agreements, or Trade Agreements Committee (TAC), (2) the Committee for Reciprocity Information (CRI), and (3) the Cabinet-level Trade Policy Committee (TPC).

The Trade Agreements Committee is responsible for developing detailed information and recommendations concerning the initiation and carrying out of negotiations, as well as for the administration of the trade agreements program generally. The Committee, which, as needed, sets up interdepartmental subcommittees of experts for each country or group of countries with which negotiations are contemplated, is made up of representatives of the following agencies: Agriculture, Commerce, Defense, Interior, International Cooperation Administration, Labor, State, Tariff Commission, and Treasury. The representative of the Department of State serves as chairman.

The Committee for Reciprocity Information has the same membership as the Trade Agreements Committee, but the Tariff Commission member serves as its chairman. This Committee invites interested persons and organizations, as well as the general public, to submit views in writing and at public hearings regarding possible tariff concessions to be made by the United States in trade agreement negotiations, as well as suggestions for concessions which might be sought from other countries.

The Trade Policy Committee was established in 1957 at the Cabinet level to advise and assist the President in the administration of the trade agreements program. In addition to the Secretary of Commerce as its chairman, the Committee consists of the Secretaries of Agriculture, Defense, Interior, Labor, State, and Treasury, or high-ranking alternates designated by them. The Trade Policy Committee reviews the recommendations of the Trade Agreements Committee at all stages of trade agreement negotiations and transmits these recommendations to the President with any comments of its own resulting from the review.

Preparations for the Negotiations

As in previous negotiations the first step is for the Trade Agreements Committee to establish what are known as "country committees" for each country or group of countries with which negotiations are expected to be carried on. These are interdepartmental subcommittees of experts on our trade with each of the countries concerned.

Preparation of U.S. Offers

Each country committee will make a comprehensive survey of our trade with the country concerned, studying trade statistics for both our imports from and our exports to that country with a view to drawing up preliminary lists of the items which should be considered in the negotiations.

The chief criterion guiding the work of country committees at this stage is what is referred to as the "principal-supplier rule." For bargaining purposes, each side generally finds that it is more advantageous if its offer of a tariff concession

[8] The "peril points" are the rates below which the Tariff Commission finds that U.S. duties may not be reduced without causing or threatening serious injury to the domestic industry producing like or competitive products. If the President concludes a trade agreement exceeding the peril points, the law provides that he shall report to Congress his reasons therefor.

ade to the country which is the principal or n important supplier of a particular product. fter a detailed study of data on imports, exports, omestic production, tariff history, and other per- nent facts available from Government sources n the products concerned, each country commit- e submits to the Trade Agreements Committee list of products which it feels should be con- idered for possible tariff concessions by the Jnited States, together with a summary of the ata used in its studies.

During a careful item-by-item scrutiny of the ists of products and supporting data submitted o it by the country committees, the Trade Agree- ents Committee makes such modifications in the ists as it considers advisable. After this work as been completed for all the countries with hich negotiations are contemplated, the Trade greements Committee sends to the President, hrough the Trade Policy Committee, a consoli- ated list of U.S. import items ("public list") hich the Committee recommends for possible ariff concessions during the negotiations. If here are dissents by any agency on particular tems, these are brought to the attention of the rade Policy Committee and, if they persist, to he President.

After the President has approved the list of J.S. import items, it will be published, together vith a formal announcement of the intention to nter into trade agreement negotiations, and dates vill be set by the Committee for Reciprocity In- ormation for filing briefs and for public hearings o obtain the views of interested persons and roups concerning the proposed negotiations. The fact that a product is included in the public ist does not mean that a tariff concession will ecessarily be made on that product in the nego- iations.) Simultaneously, the President will ransmit the list to the Tariff Commission for eril-point findings on each product, and the Com- nission will also issue a notice of public hearings.

In connection with the announcements it will e made clear that no article will be considered n the negotiations for the granting of a tariff con- ession by the United States unless it is included n the public list or unless it is subsequently in- luded in a supplementary public list. Every ffort will be made to see that the lists and notices et wide public distribution, through the press, trade associations, and otherwise—for example, through the field offices of the Department of Commerce.

All information presented by the public in briefs and orally at the public hearings will be made available to the members of the country committees and the TAC and to any other persons who may have responsibilities for the conference preparations.

Taking into account all the information received from the public by the Committee for Reciprocity Information and the Tariff Commission, the various country committees will resume their studies of the items under consideration in order to determine whether to recommend that a concession be offered on a particular product and, if so, to what extent. These recommendations, together with supporting data, are submitted to the TAC, which reviews them item by item and accepts, modifies, or rejects them.

How Recommendations Are Arrived At

The decision in each case is based upon a variety of factors:

The Committee considers for each item the relation of imports to domestic production: Are imports a large or small part of the total amount consumed in the United States? Have imports been increasing or decreasing in relation to domestic production?

The Committee takes into account whether the domestic industry is large and diversified or small, located largely in one community, and concentrated on the particular product involved. It also takes into account whether the domestic industry has an export business that must compete in third markets with the foreign product.

The Committee must take into account national security needs for particular products and, in the case of an agricultural product, whether a concession might interfere with a price-support or other farm program.

Depending on circumstances, the Committee may consider whether it would be possible or desirable to make a concession on only part of a tariff category or limit the effect of a duty reduction through the use of a tariff quota or other device.

An important matter considered by the Committee is whether our offers as a whole are adequate to reciprocate for the concessions we may reasonably expect to obtain for our exports.

These and other matters are studied by the Committee. Particularly important are the peril-point findings of the Tariff Commission, which the Committee takes into consideration, along with all the information obtained from other sources, in making recommendations to the President.

Recommendations Go to the President

The recommendations of the Trade Agreements Committee will then be transmitted to the President, with dissents, if any, as to particular items, through the Cabinet-level Trade Policy Committee, which gives the President such advice as it deems appropriate.

The decision of the President constitutes an instruction to the U.S. negotiators. It authorizes them to make specified concessions, provided they can get adequate concessions in return. If it is found desirable to request additional authority from the President for an import product not on the public list, a new notice must be issued and the same procedure gone through as with the original public list (hearings, peril-point findings, etc.).

Preparation of U.S. Requests

The preparation of our lists of requests for concessions from the foreign countries taking part in the negotiations goes forward simultaneously with the preparation of our offers. The country committees make a systematic review of our export trade with the countries involved, studying their tariffs, taxes, quotas, trade regulations, etc.

As on the import side, the principal-supplier criterion is an important guide, but studies are also made to determine whether there are any export products in which trade ought to be moving and, if so, why it is not moving. Past inquiries and complaints from American exporters received through the Committee for Reciprocity Information or by any of the Departments are reviewed in order to determine whether any of such items should be included in our requests.

At the time public notice is given of intention to enter into trade agreement negotiations, interested persons and organizations are invited to submit their suggestions concerning export items on which concessions might be requested.

The establishment of the European Economic Community introduces a new and very important factor in the U.S. preparations for the forthcoming tariff conference that was not present in previous tariff negotiations. The new negotiations are to take place just as the first important step are being taken by the EEC to establish a commo external tariff for the six member countries.

With a population approximately as large a that of the United States, the six countries of th Common Market together constitute one of th most important markets in the world for Ameri can exports. Consequently, it is of considerabl importance to our export trade that the commo external tariff of the Common Market be kept a low as feasible. To the extent that the Unite States can offer tariff concessions on imports o importance to the EEC countries, we can reques corresponding concessions in the external tariff o the Common Market and thus further the interest of our export trade in that important area. Thi explains why the country committee for the EE is devoting much painstaking work in preparin as broad a list of requests from the Communit as our proposed offer list can justify.

The recommendations of all the country commit tees will be carefully reviewed by the Trade Agree ments Committee, which goes over them item b item and which also reviews our overall request from particular countries in the light of our pos sible offers. The request lists, like the offer recom mendations, will probably, as in the past, mov back and forth from the Trade Agreements Com mittee to the country committees and back again until they are finally ready to be transmitte through the Trade Policy Committee to the Presi dent for his approval, along with the recommenda tions on offers.

The Negotiations

After the President has approved the offers an requests, the next stage will be the actual negotia tions at Geneva.

Under the overall direction of the Trade Agree ments Committee, negotiations with each foreig country and with the European Economic Com munity will be conducted by a separate U.S. tea which, as far as possible, will be made up of th same experts who composed the preparatory coun try committee. Normally, each negotiating tea consists of representatives of the Departments o Agriculture, Commerce, and State, with repre sentatives of other Departments taking part a matters of interest to their agencies are considered In addition a Tariff Commission expert is assigne

to each team as a technical adviser, although as a matter of policy the members of the Tariff Commission staff do not engage in actual negotiations. In conformity with the "sense of the Congress" expressed in recent legislation, the advice of representatives of industry, agriculture, and labor will be available during the negotiations through public advisers who will be named to the American delegation to the tariff conference.

As in past tariff conferences the negotiations will begin with bilateral meetings between the U.S. negotiating teams and their counterparts from the foreign countries. At the first meeting the two teams will exchange their lists of offers. After these offers have been studied, the actual bargaining will begin and may continue for a considerable period of time.

As soon as possible each U.S. team will report to the Trade Agreements Committee its views as to whether an agreement with the other country is possible and what are the most favorable terms on which it then appears that an agreement can be reached. If the proposed agreement is a balanced one and within the terms of the team's instructions, the team may be authorized to conclude the agreement on an *ad referendum* basis. Reaching an agreement sometimes involves changes in the original U.S. offers or, if the other country's offers remain inadequate, some of our offers have to be withdrawn. If additional authority is required, the TAC transmits a request for it, through the TPC, to the President, and if he approves the negotiating team then proceeds to conclude an *ad referendum* agreement.

Upon completion of the negotiations the results of all the agreements between the various pairs of countries will be combined into a single document called a protocol, which in turn will provide for the incorporation of all the new tariff concessions into the GATT.

The results of the U.S. negotiations will be reviewed by the TAC and then transmitted through the TPC to the President with a recommendation for his approval. If the President approves, the protocol will be signed by a person designated by the President and the agreement will become a binding obligation of the United States.

The final step in the trade agreements procedure will be taken when the President issues a proclamation bringing the agreement into force as regards U.S. domestic law.

International Bank Issues 6-Month Financial Statement

The International Bank for Reconstruction and Development reported on February 3 that its reserves had risen by $42 million in the first 6 months of the current financial year to a total of $462 million.

The additions to reserves in the 6-month period ending December 31, 1959, are made up of net earnings of $28.8 million, which were placed in the supplemental reserve against losses on loans and guarantees, and loan commissions of $13.2 million, which were credited to the special reserve. On December 31 the supplemental reserve totaled $310.9 million and the special reserve was $151.1 million.

Gross income, exclusive of loan commissions, was $71.4 million. Expenses totaled $42.6 million and included $37.2 million for interest on the Bank's funded debt, bond issuance, and other financial expenses.

During the period the Bank made 15 loans totaling $349.1 million—in Algeria and Sahara, Austria, Chile, India (two loans), Iran, Italy, Japan (two loans), Norway, Pakistan (three loans), United Arab Republic, and Uruguay. This brought the total number of loans to 249 in 51 countries and raised the gross total of commitments to $4,871 million.

Disbursements on loans were $213.8 million, making total disbursements $3,591.2 million on December 31.

The Bank sold or agreed to sell the equivalent of $82.9 million principal amounts of loans. At December 31 the total amount of such sales was $651.3 million, of which all except $69 million was without the Bank's guarantee.

Repayments of principal received by the Bank amounted to $30.2 million. Total principal repayments amounted to $577.2 million on December 31; this included $294.4 million repaid to the Bank and $282.8 million repaid to the purchasers of borrowers' obligations sold by the Bank.

The funded debt of the Bank amounted to $1,989.8 million on December 31, 1959, reflecting a net increase of $84.6 million over the past 6 months. In this period new bond issues and private placements of Bank obligations amounted to the equivalent of $162.9 million. These consisted

of a public issue of £10 million ($28 million) of sterling stock and four private placements of obligations totaling the equivalent of $134.9 million, including DM10 million ($2.4 million) of deutsche mark notes. Outstanding debt was increased a further $23.8 million as a result of the delivery of $11.1 million of bonds which had been subject to delayed delivery arrangements and through the drawing down of an additional $12.7 million equivalent from the deutsche mark note of 1958. Funded debt maturing amounted to $90.8 million, and sinking and purchase fund transactions amounted to $11.3 million.

Pursuant to the increase in the Bank's authorized capital from $10 billion to $21 billion on September 15, 1959, the subscribed capital had been increased to $18,614.4 million by December 31, 1959.

DLF Lists Total Commitments as of December 31, 1959

The Development Loan Fund on February 3 issued a list of loans approved in the period September 16 to December 31, 1959. Ten loans to public and private borrowers in nine countries were listed. Amounts of the loans totaled $95,850,000.

The Development Loan Fund, a U.S. Government corporation, makes loans to enterprises in friendly countries which are hampered in their efforts to achieve self-sustaining growth and rising living standards by a lack of capital. Loans are made for projects and programs which will stimulate economic development but for which funds are not available from other sources.

The new loans listed bring the total commitment of DLF loan funds since the Fund began lending early in 1958 to $948,006,000. This includes commitment of funds for 111 loans and 2 guaranties totaling $908,756,000 to borrowers in 41 countries, additional commitments totaling $39,250,000 covering loans for which letters of advice have not yet been issued, and commitments to certain countries to finance development projects subject to approval of specific proposals when submitted.

DLF loan operations to date break down as follows:

Twenty-one loans totaling $77,590,000 to borrowers in 13 Latin American countries;

Ten loans and 1 guaranty totaling commitments of $53,390,000 to borrowers in 8 countries in Africa;

Eight loans totaling $81,000,000 to borrowers in 3 European countries;

Nineteen loans totaling $195,900,000 to borrowers in 7 countries in the Near East;

Twenty-five loans totaling $332,000,000 to borrowers in 3 countries in South Asia; and

Twenty-seven loans and 1 guaranty totaling commitments of $168,876,000 to borrowers in 7 Far Eastern countries.

The principal borrowing countries are India, with 8 loans totaling $195,000,000, and Pakistan, with 14 loans totaling $133,555,000.

Mr. Sterling Named to Advisory Group on Educational Exchange

The Senate on January 20 confirmed the nomination of John Ewart Wallace Sterling to be a member of the U.S. Advisory Commission on Educational Exchange for a term of 3 years expiring January 27, 1962, and until his successor is appointed and qualified.

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[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain libraries in the United States.

Developments in International Economic Affairs

EXCERPTS FROM THE ECONOMIC REPORT OF THE PRESIDENT[1]

Chapter 2

ECONOMIC DEVELOPMENTS IN 1959

. . . . .

International Economic Developments

In 1959, as in 1958, United States payments in international transactions exceeded receipts by a wide margin (Chart 11[2]). Exports, seasonally adjusted, fell to a low level in the first quarter of the year, but then began to strengthen and in the third quarter rose vigorously. Though this expansion was interrupted later in the year by the steel shortage, the value of exports in the 11 months through November was about the same as in the corresponding period of 1958. Imports, which were little affected by the 1957–58 recession, staged an exceptionally rapid increase until mid-1959 and, on a seasonally adjusted basis, remained steady thereafter at a level much higher than in previous years.

These developments in trade were superimposed upon a heavy outflow of capital and military expenditures, though both of these flows, especially that of private capital funds, were smaller in 1959 than in 1958. The transfer of gold and liquid dollar assets resulting from the gap between aggregate payments and receipts reached an annual rate of $4.5 billion in the second quarter of 1959. This rate slackened a little in the third quarter, and there was further improvement in later months, reflecting in part a $250 million advance repayment by the United Kingdom to the Export-Import Bank.

Among the underlying factors that have contributed to the change in the trade and payments position of the United States since the early postwar years have been the steady recovery and growth in the productive capacity of other countries, including the re-establishment of old comparative advantages and the introduction of new technologies. On the side of demand, the pressures on domestic resources which persisted in many countries long after the war have generally subsided. In some cases, new international cost and price disparities may now have developed to the advantage of these other countries, and the depressed level of ocean freight rates since 1957 has facilitated the marketing in the United States of certain foreign products. Much of the change in trade may be attributable, however, to intensified production and export efforts by other countries on the basis of previously existing cost differences.

These influences have not operated exclusively in one direction. A detailed examination by the Department of Commerce of recent changes in the shares of the United States in different export markets for manufactured goods reveals a considerable diversity of trends, with many gains as well as losses. Moreover, the serious contractions have been concentrated in a few items. Among these, automobiles and steel stand out, as they do in the rise in imports.

A review of recent developments in the foreign trade of the United States must also take account of the effect of business fluctuations at home and abroad and of the special circumstances affecting trade in particular products that figure prominently in this country's exports or imports. Thus, the decline of exports after mid-1957 was

[1] H. Doc. 268, 86th Cong., 2d sess.; transmitted to the Congress on Jan. 20; for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. ($1).

[2] Not printed here.

associated with a general weakening of foreign import demands, aggravated by the reversal of special forces which had contributed (notably in the cases of petroleum, coal, cotton, and wheat) to the earlier upswing. Similarly, the strengthening of exports during 1959 reflects the renewal of economic expansion abroad. The progress of expansion in countries that are the principal customers for exports from the United States accordingly deserves attention.

Change in the World Market Situation

Economic conditions in virtually all industrially developed countries improved in 1959. In Canada, as in the United States, production had begun to recover in 1958; after some hesitation in the summer of 1959, it rose again in the autumn. Production in Japan had also rebounded sharply in 1958 and continued an extraordinarily rapid rate of expansion. In Western Europe, the check to production at the end of 1957, though enough to produce marked effects on inventory and import demands in 1958, did not result in any widespread downturn, and a new rise in output got under way early in 1959. The difference of about nine months between North America and Western Europe in the inception of the expansion was of some significance for the development of trade and payments on both sides.

By the second half of 1959, most of the more developed countries were reporting impressive increases in economic activity, compared with a year earlier (Chart 12 [3]). This strengthening extended to most industries, although coal mining remained a major exception, with adverse effects on United States coal sales in Europe. In most countries, business fixed investment seems to have played a small role, compared with other demands, in starting the upturn, and the market for capital equipment was generally weak at the beginning of the year. It strengthened, however, in most industrial countries as the expansion gained force, and in some of them, notably Germany and Japan, new orders in the capital goods industries increased markedly in the course of the year.

The renewed expansion in industrial countries abroad was initiated in part by an increase in demand for their exports. It is noteworthy, however, that these increases were, at first, almost exclusively in sales to the United States and Canada, which rose strongly after mid-1958. Elsewhere, these other industrial countries faced much the same market conditions as those confronting the United States. The trade among Western European countries at the beginning of 1959 was scarcely higher than a year earlier, but in March it began to rise significantly. Their exports to the nonindustrial countries in the first quarter were 12 percent below shipments in the first quarter of 1958; and in the second quarter they were still no higher than a year earlier.

The weakness of demand in the nonindustrial countries at the beginning of 1959 reflected their generally strained foreign exchange position, resulting from the slowness with which their imports had adjusted downward to the progressive fall in their export prices after mid-1957. In some cases, excess capacity contributed to the weakness in these prices. By the first quarter of 1959, the general level of prices in world trade for primary commodities was 5 percent lower than at the beginning of 1958 and 13 percent lower than at the beginning of 1957 (Table D–76 [4]). In Latin America—a market that is relatively much more important to the United States than to Europe or Japan—the fall in export prices (exclusive of petroleum) over the two-year period was about 20 percent. The volume of exports from the non-industrial countries had, however, begun to improve, and in 1959 some of them began to enjoy better export prices and sufficient earnings to permit both some replenishment of their foreign exchange reserves and some increase in their imports. Sterling area countries were helped especially by the improved markets for wool and rubber. Export gains by other primary producers, notably the Latin American countries, were more moderate or were delayed, and some of these countries continued to experience foreign exchange difficulties.

The improvement in the world market situation during 1959 is shown by the summary import figures in Table 4. In the first quarter, imports of industrial countries other than the United States and Canada were little higher, and in some case

[3] Not printed here.

[4] Not printed here.

TABLE 4.—*World imports, 1958–59* [1]

[Billions of dollars]

Country or area	1958	1959		
		First quarter	Second quarter	Third quarter [2]
		Seasonally adjusted annual rates		
orld imports (c.i.f.)[1]	100. 7	98. 6	105. 5	108. 4
United States [3]	14. 0	15. 2	16. 9	17. 1
All other countries	86. 7	83. 4	88. 6	91. 3
Other industrial countries	51. 5	51. 6	54. 0	55. 5
Continental OEEC countries	32. 1	31. 5	33. 3	34. 3
United Kingdom	10. 6	10. 8	10. 8	11. 2
Canada	5. 8	6. 1	6. 4	6. 4
Japan	3. 0	3. 2	3. 5	3. 6
Nonindustrial countries	35. 2	31. 8	34. 6	35. 8
		Unadjusted annual rates		
Nonindustrial countries	35. 2	31. 6	34. 7	35. 0
Sterling area, excluding United Kingdom	14. 2	13. 1	14. 2	14. 2
Latin America	8. 5	7. 0	20. 5	20. 8
All other	12. 5	11. 5		

[1] Excludes Soviet Area and Communist China.
[2] The world total and the total for the nonindustrial countries in the third quarter of 1959 are provisional.
[3] Figures for the United States include an adjustment by the International Monetary Fund to a c.i.f. (cost, insurance, eight) basis for purpose of comparability with other countries' data.

Sources: International Monetary Fund, Department of Commerce, and Council of Economic Advisers.

wer, than in 1958, and those of the nonindustrial untries were sharply reduced. In the second arter, imports of the industrial countries and some of the nonindustrial countries strengthed appreciably, and the improvement conued in the third quarter.

nited States Foreign Trade and Payments

In the early months of 1959, United States exrts continued to reflect the consequences of the latively low world demand and certain other unvorable influences. Coal exports, despite the ice advantage favoring the United States, met creasing obstacles because of the oversupply of al in Europe; cotton shipments were held down prospect of a change in the United States exrt price at the start of the new crop season; and ports to many of the primary producing counes, especially in Latin America, remained weak. In the second quarter, and still more in the ird, these influences were offset by the resurnce of economic expansion in the more develed countries. United States exports responded ll to the upturn in inventory investment and in penditures on machinery and equipment in these countries (Table 5). Agricultural exports other than cotton also strengthened in the course of the year, and by the fourth quarter cotton exports were beginning to show the anticipated large increase over the previous year. On the other hand, a decrease in exports of machinery and vehicles in November appeared to be attributable to shortages of steel arising from the work stoppage in that industry.

United States merchandise imports rose in little more than a year by about 25 percent from their recession low in the first quarter of 1958. The principal elements in this expansion were the strengthening of demand for industrial materials, as domestic economic activity began to increase; the continued rise in purchases of foreign automobiles and other consumer manufactures; and special demand situations relating to meat, steel, and building materials. With the easing of some of these demands, total imports, seasonally adjusted, did not increase further after midyear.

Changes in service transactions in 1959 were of much less consequence than those in trade. Among United States expenditures abroad, military disbursements were somewhat lower in the

TABLE 5.—*United States exports, July to October, 1958 and 1959*

Item	July–October 1958	July–October 1959	Percentage change
	Millions of dollars		
Total exports, excluding "special category" [1]	5, 071	5, 267	3.
Cotton, unmanufactured	148	100	−32.
Coal, petroleum, and related products	358	280	−21.
Exports, excluding above items, to Latin America	1, 268	1, 136	−10.
All other exports	3, 297	3, 751	13.
Geographic distribution:			
Canada	1, 047	1, 143	9.
Western Europe	1, 205	1, 404	16.
Japan	191	238	24.
Other countries, excluding Latin America	853	965	13.
Commodity distribution:			
Agricultural products	940	1, 077	14.
Machinery	786	884	12.
Transportation equipment	332	350	5.
All other, including reexports	1, 240	1, 440	16.

[1] Total and area data include reexports; commodity data exclude reexports.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

first three quarters of the year than in the same period of 1958 and travel outlays somewhat higher. Among receipts, income from direct investments abroad, while lower than in 1958, tended to strengthen in the course of the year.

Influenced by the rise in interest rates in this country, the outflow of capital in the first three quarters of 1959 remained considerably below the high rate of the preceding year, thereby offsetting part of the adverse shift in the goods and services balance. The net outflow of capital was exceptionally low in the first quarter, but rose in the second and remained steady in the third. With imports of goods and services also remaining unchanged and exports rising from the second to the third quarter, the excess of payments on recorded transactions declined. Net transfers of gold and liquid dollar assets to other countries did not diminish correspondingly in the third quarter. This disparity is thought to be due to lags in crediting payments to foreign accounts, with the result of understating the gold and dollar outflow in the second quarter and of overstating it in the third. Incomplete data for the fourth quarter indicate a decline in the rate of gold and dollar transfers, partly attributable to large advance payments of foreign obligations to the United States.

Outlook

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Balance of Payments Prospects

A moderate improvement in the United State balance of international payments seems to b ahead in 1960. Imports of capital equipment an consumer manufactures may, on balance, con tinue their upward trend. And, as industrial pro duction continues to rise, imports of industria materials may grow, though presumably mor slowly than in the recovery phase following th 1957–58 recession. On the other hand, the pa ticular supply and demand situations noted earlie in this chapter, which have been responsible fo the rapid rise of certain imports, are shifting these imports are now expected to increase le rapidly, and some of them may even decline. Th growth of total imports, therefore, may well b considerably smaller in 1960 than the rise in th period from early 1958 to mid-1959.

Exports should gain from the strong expansio of production and investment that is proceedin in the industrial countries abroad. This expa sion should benefit United States sales indirectl also, as the primary producing countries find the purchasing power raised by their higher expor to the industrial countries. Moreover, certai

ıajor exports that declined in 1959, as discussed bove, may cease to decline in 1960, or may ıcrease.

On this appraisal, exports in 1960 should rise ppreciably more than imports. Also, receipts rom services are expected to rise faster than pay-ıents for services and military expenditures broad. Net exports of goods and services, as egistered in our national income accounts, should how a positive balance. On the other hand, new Jnited States investment abroad may increase, specially if interest rates in other countries con-inue to rise. Therefore, the over-all payments eficit may still be relatively large in 1960. To ssist in attaining a needed adjustment of the bal-nce of payments consistent with our goal of pro-ıoting multilateral world trade, a strengthening f exports continues to be essential. The level of xports will depend on such fundamental condi-ons as the rate and regularity of expansion of ctivity abroad, the progress of other countries ɔward more liberal trade policies, and our own fforts to strengthen the competitive position of Jnited States products in foreign markets.

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Chapter 3

CONOMIC POLICIES IN 1959

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oreign Economic Policy

The Administration continued in 1959 to pro-ide substantial assistance for the economic de-elopment of less developed areas as well as ilitary and economic assistance to countries of ıe free world. The importance of these pro-rams and their need for adequate budgetary sup-ort was emphasized in a special message of the 'resident transmitted to the Congress on March 3, 1959.[5] During the year, the United States ıcreased its participation in existing interna-ional financial institutions and encouraged the etting up of certain new institutions designed to romote the flow of capital to underdeveloped ountries. The United States also continued its raditional efforts to reduce impediments to inter-ational trade.

The economic potential and the security of the ree world, and the future growth of the less de-veloped countries, depend in large measure upon the economic strength of the United States in both its domestic and its international aspects. With a view to safeguarding that strength, action was taken in 1959 to improve the United States bal-ance of payments, in which a sizable deficit was anticipated for the year. The payments deficit underlined the importance of the firm fiscal and monetary policies being pursued to restrain domestic inflationary pressures and to assure stable economic growth. These policies served to maintain confidence in the dollar throughout the world. They also helped to lessen the danger that, through inflation, the competitive strength of United States trade in foreign markets might be weakened.

Throughout 1959, the United States emphasized that the strong economic position attained by the other industrial countries justified moves on their part to liberalize commercial policies and to ex-pand foreign investment. A great rise had oc-curred in their gold and exchange reserves, their balance of payments positions had become strong, and major progress had been made toward cur-rency convertibility. Thus, at the Fifteenth Ses-sion of the Contracting Parties to the General Agreement on Tariffs and Trade,[6] it was agreed that discriminatory import restrictions based on financial reasons, largely affecting the United States, should quickly be eliminated. Moreover, the rise in reserves of most industrial countries provides the basis for reducing quantitative im-port restrictions generally. The United States pressed this view at other international meetings also, as well as directly with the governments concerned. By the end of the year, many coun-tries had taken action to reduce discriminatory restrictions against imports from and travel to the United States. A number of these countries indicated their intention to take further action in the near future. The United States also asked the industrially advanced nations to increase their assistance to less developed countries. The eco-nomic progress of these industrial countries was clear evidence of their capacity to provide in-creased aid.

A specific step to improve the balance of pay-ments was taken with the announcement that the Development Loan Fund (DLF) henceforth

[5] Bulletin of Mar. 30, 1959, p. 427.

[6] For the report of the U.S. delegation to the 15th ses-sion of the GATT, see *ibid.*, Dec. 7, 1959, p. 843.

would place primary emphasis, in its lending to the less developed countries, on the financing of goods and services which these countries require from the United States.[7] This decision was taken in the knowledge that other industrial countries are now capable of financing their exports of capital goods to these countries on a long-term basis. Also, steps were taken to transfer from the International Cooperation Administration (ICA) to the DLF, to the greatest extent possible, assistance which ICA affords in the form of aid to specific development projects. Projects so transferred are subject to the new DLF financing procedures. There is reason to expect that these measures, in addition to strengthening the United States balance of payments, will bring about an increased volume of foreign lending by other industrial countries.

Several steps were taken during the year to augment the flow of capital from the United States and other nations to the less developed countries and to strengthen international financial agencies. On June 17, the President signed legislation authorizing an increase in the subscriptions of the United States to the International Monetary Fund and to the International Bank for Reconstruction and Development. The added subscriptions amounted to $1,375 million to the Fund and $3,175 million to the Bank.

A second step to expand the flow of capital was taken when the United States joined with the Latin American countries in the establishment of the Inter-American Development Bank.[8] It is contemplated that the Bank will have an ordinary capital of $850 million, in addition to a separate fund of $150 million for special operations. The United States contribution will amount to $450 million.

A third move was the decision taken by the Governors of the International Bank for Reconstruction and Development, on the initiative of the United States, to proceed with the formulation of plans for an International Development Association (IDA). This institution would have resources of about $1 billion, including a prospective United States contribution of somewhat more than $300 million, payable over approximately five years. It would be closely affiliated with the International Bank for Reconstruction and Development and would give greater flexibility to the operations of that institution. It would also facilitate the use, for development purposes, of the local currencies of certain member countries provided to IDA out of holdings by other members. Such use would be with the consent of the countries whose currencies were involved.

The economic aid extended in various forms by the United States to other countries—almost entirely to less developed countries—totaled about $3 billion in the year ended September 1959. Disbursements under the Mutual Security Program for economic assistance amounted to about $1.4 billion, exclusive of disbursements by the Development Loan Fund. The latter, whose operations were still in an initial stage, disbursed $114 million and committed $393 million. Under Public Law 480, agricultural surpluses were disposed of as follows: $736 million against local currencies; $133 million through transfers to private welfare and international relief agencies for foreign operations; and $58 million through deliveries for famine and other emergency relief purposes. The Export-Import Bank disbursed $598 million in loans and committed $693 million, while receiving repayments of $301 million. During the year, it increased the portion of suppliers' credits which it will finance.

Under the national security provision of the trade agreements legislation, the President approved a finding that oil and oil products were being imported in such amounts as to threaten to impair the national security and instituted a program for regulating these imports. The Director of the Office of Civil and Defense Mobilization found no threat to national security from imports of certain heavy electrical equipment, fluorspar, and cobalt. Under the escape clause provision of the trade agreements legislation, the President approved a Tariff Commission finding of injury from imports of certain stainless steel flatware products, but disapproved such findings for tartaric acid and cream of tartar. The Tariff Commission found no injury in eight cases and terminated three other cases without formal findings.

In pursuance of its policy of seeking a reduction of barriers to international trade, the United States in October 1958 proposed to the Contract-

[7] *Ibid.*, Nov. 16, 1959, p. 708.

[8] For background, see *ibid.*, Feb. 15, 1960, p. 263.

ing Parties to the General Agreement on Tariffs and Trade that they sponsor a new round of multilateral tariff negotiations. The proposal was approved by the Contracting Parties in May 1959, and the tariff conference is scheduled to begin in September 1960.[9] Its successful conclusion will permit further progress toward the attainment of higher levels of trade.

Chapter 4

A LEGISLATIVE PROGRAM FOR 1960

. . . . .

Foreign Economic Relations

Stronger efforts must be made at this time to expand United States exports of goods and services. Fiscal and monetary policies designed to restrain inflation provide a solid basis for such efforts, but more needs to be done to strengthen the competitive position of our exports. In this connection, the Federal Government should encourage intensified use of Department of Commerce facilities for disseminating foreign trade information to exporters and potential foreign buyers of American products; strengthen the commercial activities of our Foreign Service; increase the number of our trade missions to other countries; and arrange for more extensive United States participation in trade fairs abroad.

These steps should make more effective the efforts of private businesses to increase foreign sales. Expansion of exports should be a major aim of American business in the coming year. To take full advantage of expanding market opportunities abroad, businessmen will have to price competitively, sell aggressively, adapt and design products to meet the needs of foreign buyers, and offer adequate credit and service facilities.

Markets for United States products were significantly expanded last year, particularly toward the end of the year, by the reduction of quantitative restrictions on dollar imports by many of our trading partners abroad, as described in Chapter 2 of this Report. The United States intends to continue encouraging the removal of remaining restrictions on imports from the dollar area. These efforts, which are expected to result in a further expansion of United States export opportunities, will be made in such international forums as the General Agreement on Tariffs and Trade and the International Monetary Fund, as well as through bilateral consultations with foreign governments.

It is hoped that the industrial countries, consonant with their growing financial ability, will increase their long-term lending to less developed countries, and this subject is being actively discussed with the governments concerned. For its part, the United States will continue vigorously with its plans to aid the economic growth of less developed countries. The efforts of many of these countries have already been fruitful, and the groundwork is being laid for more rapid advances in the future. In many instances, however, the level of living in the less developed countries remains very low.

The efforts of the United States to aid less developed countries to improve their productivity and level of living will be channeled through institutions that have served in the past, including both the Development Loan Fund and the Export-Import Bank (which has just observed its twenty-fifth anniversary), and through appropriate new institutions. The Inter-American Development Bank, which came into existence late last year, will begin operations shortly. This institution, which brings together the United States and the countries of Latin America, manifests the enduring interest that the United States has in the economic progress of its neighbors.

The formation of the International Development Association will also be pursued actively during the year. It is expected that funds for the initial United States subscription will be requested during the year.

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Congressional Documents Relating to Foreign Policy

86th Congress, 1st Session

Communist Threat to the United States Through the Caribbean. Hearing before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Senate Judiciary Committee. Part 4. December 7, 1959. 242 pp.

War Claims and Enemy Property Legislation. Hearings before a subcommittee of the House Interstate and

[9] See p. 291.

Foreign Commerce Committee on bills to amend the War Claims Act and the Trading With the Enemy Act. April 16–August 6, 1959. 742 pp.

86th Congress, 2d Session

Mutual Security Program. The 16th semiannual report on the operation of the Mutual Security Program for the period ending June 30, 1959. H. Doc. 299. January 14, 1960. 114 pp.

Administration of United States Foreign Aid Programs in Bolivia. Report of the Senate Committee on Government Operations made by its Permanent Subcommittee on Investigations pursuant to S. Res. 43, 86th Congress, 1st session. S. Rept. 1030. January 20, 1960. 28 pp.

Authorizing a Payment to the Government of Japan. Report to accompany S. 2130. H. Rept. 1216. January 21, 1960. 3 pp.

Rehabilitation of the Disabled in Thirty-seven Countries of the World: Domestic Programs and International Activities in Technical Assistance. Report of the Senate Government Operations Committee made by its Subcommittee on Reorganization and International Organizations. S. Rept. 1038. January 22, 1960. 152 pp.

United States–Latin American Relations: United States Business and Labor in Latin America. A study prepared at the request of the Subcommittee on American Republics Affairs of the Senate Foreign Relations Committee by the University of Chicago Research Center in Economic Development and Cultural Change. No. 4. January 22, 1960. 103 pp. [Committee print]

Expressing the Sense of the Congress That Any Variation in the Traditional Interpretation of the Treaties Between the United States and the Republic of Panama Shall Be Made Only Pursuant to Treaty. Report to accompany H. Con. Res. 459. H. Rept. 1225. January 29, 1960. 2 pp.

Special Study Mission to Europe. Report, Part I: Special Study Mission to Europe; Report, Part II: A Study of European Economic Regionalism—A New Era in Free World Economic Politics. A report in two parts representing the views of the special study mission of the Subcommittee on Europe of the House Foreign Affairs Committee. H. Rept. 1226. January 25, 1960. 176 pp.

If Coexistence Fails: the Khrushchev Visit Evaluated. An analysis of our present position in the cold war and of the diplomatic crisis confronting us by Senator Thomas J. Dodd. S. Doc. 78. January 25, 1960. 31 pp.

Review of the Administration of the Trading With the Enemy Act. Report to accompany S. Res. 236. S. Rept. 1049. January 29, 1960. 4 pp.

Study of Refugees and Escapees by the Committee on the Judiciary. Report to accompany S. Res. 235. S. Rept. 1050. January 29, 1960. 3 pp.

Study of U.S. Foreign Policy. Report to accompany S. Res. 250. S. Rept. 1059. January 29, 1960. 3 pp.

Study of the Effectiveness of Governmental Organization and Procedure in the Contest With World Communism. Report to accompany S. Res. 248. S. Rept. 1060. January 29, 1960. 4 pp.

Reception of Foreign Dignitaries. Report to accompany S. Res. 245. S. Rept. 1062. January 29, 1960. 3 pp.

United States–Latin American Relations: United States and Latin American Policies Affecting Their Economic Relations. A study prepared at the request of the Subcommittee on American Republic Affairs of the Senate Association. No. 5. January 31, 1960. 133 pp [Com- Foreign Relations Committee by the National Planning mittee print]

Secretary Requests Authority To Pay Certain IES Expenses

Following is the text of a letter from Secretary Herter to Vice President Nixon requesting enactment of a proposed bill to provide authority for the Department of State to pay certain expenses relating to the International Educational Exchange Program.

TEXT OF LETTER [1]

JANUARY 20, 1960.

THE HONORABLE RICHARD M. NIXON,
President of the Senate.

DEAR MR. VICE PRESIDENT: I am transmitting herewith a proposed bill to amend the act of August 1, 1956, entitled "an act to provide certain basic authorities for the Department of State."

One of the most serious problems facing the Department at this time in the operation of its international educational exchange program arises from the inability to provide in a systematic way for certain expenses that are vital to the success of programs arranged for distinguished foreign visitors invited to this country. The objective in inviting these persons is to increase understanding between the people of other countries and the people of the United States. Often this objective can best be accomplished through meetings between these visitors and Americans of similar interests, background, and status. Because these visitors are able to remain in this country for only limited periods of time, and their American counterparts similarly have pressing demands upon their time, programs must be arranged which make maximum use of the time available. Many of the most productive meetings that can be arranged are in the form of luncheons, receptions, or similar functions.

Most of the meetings between these visitors and Americans are arranged by the cooperating agencies, both private and government, that assist in carrying out the international educational exchange program. The Department considers the

[1] Reprinted from *Congressional Record* of Feb. 1, 1960, p. 1484.

cost of luncheons and other similar arrangements for meetings that are in every respect a vital part of the program to be reasonable and proper program expense. The Department believes, however, that it needs specific legislative authority for the payment of such expenses.

The attached draft bill is intended to provide such authority. The authority would be used sparingly and only as program requirements demand. It is estimated that approximately $20,000 from regular program funds would be used for this purpose over the period of the next fiscal year.

The Department urgently requests the enactment of the proposed legislation at an early date.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this proposal to the Congress for its consideration.

Most sincerely,

CHRISTIAN A. HERTER.

PROPOSED DRAFT BILL

A bill to amend the Act of August 1, 1956, entitled "An Act to provide certain basic authority for the Department of State"

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 12 of the Act of August 1, 1956, entitled "An Act to provide certain basic authority for the Department of State" is amended by changing the period at the end of the section to a comma and adding the following: "and the Secretary may provide for the payment of such other expenses as he deems appropriate to assure a suitable program for any participant coming to the United States under the exchange of persons program administered by the Department of State."

TREATY INFORMATION

Current Actions

MULTILATERAL

Publications

Convention concerning the international exchange of publications. Adopted at Paris December 3, 1958.[1] Enters into force 12 months after the deposit of the third instrument of ratification, acceptance, or accession.

Ratification deposited: Israel, January 4, 1960.

Convention concerning the exchange of official publications and government documents between states. Adopted at Paris December 3, 1958.[1] Enters into force 12 months after the deposit of the third instrument of ratification, acceptance, or accession.

Ratifications deposited: Ceylon, December 7, 1959; Israel, January 4, 1960.

Wheat

International wheat agreement, 1959, with annex. Opened for signature at Washington April 6 through 24, 1959. Entered into force July 16, 1959, for part I and parts III to VIII, and August 1, 1959, for part II. TIAS 4302.

Acceptance deposited: Portugal, January 28, 1960.

[1] Not in force.

BILATERAL

Chile

Agreement amending the agricultural commodities agreement of March 13, 1956, as amended (TIAS 3583, 3671, and 3806), to provide for financing the translation, publication, and distribution of books and periodicals, including U.S. Government publications, abroad. Effected by exchange of notes at Santiago January 26 and April 21, 1959. Entered into force April 21, 1959. TIAS 4405.

El Salvador

Agreement continuing in force the Air Force mission agreement of November 21, 1957, as amended (TIAS 3951 and 4206). Effected by exchange of notes at San Salvador January 15 and 22, 1960. Entered into force January 22, 1960.

Japan

Agreement amending the agreement of April 6, 1959, relating to the amount to be made available to the United States during Japanese fiscal year 1959 under article XXV of the administrative agreement of February 28, 1952 (TIAS 2492), for U.S. services and supplies in Japan (TIAS 4227). Effected by exchange of notes at Tokyo January 8, 1960. Entered into force January 8, 1960.

Peru

Agreement further amending the agreement of May 3, 1956, as amended (TIAS 3502 and 3859), for financing certain educational exchange programs. Effected by exchange of notes at Lima December 18 and 21, 1959. Entered into force December 21, 1959. TIAS 4398.

DEPARTMENT AND FOREIGN SERVICE

U.S. To Open New Embassy Office at Murree, Pakistan

Press release 48 dated February 1

The United States this month will establish an office of its Embassy in Pakistan at Murree, near Rawalpindi, the new provisional capital of the country in northern West

Pakistan. The U.S. Embassy on February 22 will become the first diplomatic mission in Pakistan to open an office in the area of the country's new seat of government.

In October 1959 the Government of Pakistan began transferring its capital from Karachi to Rawalpindi. Most senior officials of the Government are now located there. The Foreign Ministry and the bulk of many Government departments remain in Karachi, although it is planned that they will be moved to the new capital when adequate facilities are available. The Government of Pakistan has also announced its decision to construct a permanent national capital on the Potwar Plateau northeast of Rawalpindi and has constituted a Capital Commission to formulate a long-term development plan for the permanent site.

Because of an acute shortage of accommodations in Rawalpindi, Pakistan's President, Field Marshal Mohammad Ayub Khan, has requested foreign missions desiring to establish offices in the provisional capital area to locate them outside Rawalpindi. Consequently, the American Embassy office will be located at Murree, a small resort town about 40 miles north of Rawalpindi at an elevation of 7,400 feet. A number of other foreign diplomatic missions in Karachi have requested facilities at Murree.

The new office will be known as the Murree office of the American Embassy. It is designed to maintain daily contacts with Government of Pakistan officials in Rawalpindi.

American Ambassador William M. Rountree will continue to reside at Karachi, where most of the American Embassy staff and other American personnel will continue to be located until the complete transfer of the Embassy is made at some time in the future. Ambassador Rountree will take up short-term residence at Murree from time to time and will commute frequently to Rawalpindi to confer with Pakistani officials, as will other senior American Embassy officers.

Christopher Van Hollen, a Foreign Service officer now assigned to the Embassy at Karachi, has been designated as officer-in-charge of the Murree office.

Designations

C. Reed Liggit as Director, U.S. Operations Mission, Israel, effective February 4. (For biographic details, see Department of State press release 49 dated February 4.)

Check List of Department of State Press Releases: February 1–7

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

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THE DEPARTMENT OF STATE

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The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Sharing Common Goals With Latin America

by Under Secretary Dillon[1]

We continue to revere Lincoln as the savior of our Union and as a founder of the great Republican Party. Lincoln's wisdom had a timeless and enduring universality from which we can still benefit today. When we face the huge and pressing challenges of the 20th century, we can usefully ask ourselves how Lincoln would have responded to them. For this remarkable statesman fused warm idealism with eminent practicality in shaping policies which not only strengthened the well-being of our own people but ultimately benefited all mankind.

This criterion is met in full measure by one of our most important and most promising programs in the field of foreign policy. I refer to our efforts, in partnership with other prospering free nations, to help the less privileged peoples of the earth realize their mounting expectations for a better life under freedom. I am certain that if Lincoln, with his boundless love of humanity and his deep sympathy for the aspirations of the underprivileged, were alive today he would be at the very forefront of this drive to meet what President Eisenhower has called the "titanic" challenge of our time.

It was Lincoln, of course, who said that we could not endure permanently half slave and half free. Today his words have a timely, broader, worldwide significance. Millions of human beings live under totalitarianism in the Soviet Union and its European satellites. Hundreds of millions more lead a subhuman existence under the anthill regimentation of Communist China. It is our fervent hope that these nations will gradually evolve toward the freedom and political independence to which mankind instinctively aspires.

But there is also today another kind of slavery which must be conquered if mankind is to continue its onward march in freedom. This is the very real slavery of poverty, disease, hunger, and illiteracy. Hundreds of millions of people in the free world today are struggling to cast off the shackles of slavery, knowing that they cannot fully enjoy the freedoms of their political independence until they have achieved a measure of success in the fight to improve their standards of living. They know that a better life exists. They want it. And they mean to have it one way or another.

It is in our own direct interest that these peoples should succeed in their struggle. For we cannot long continue freely to enjoy the fruits of our material successes unless these hundreds of millions of people in the newly developing lands also make adequate progress in freedom. We cannot hope to endure as an island of well-being in a sea of poverty.

These peoples, who represent the decisive balance of future world power, are the peoples of the newly independent countries of Asia and Africa and the long-independent but newly developing nations of Latin America.

Since the early days of our country we have recognized that our ties and common interests with Latin America are of unique importance in United States foreign policy. It is appropriate that we discuss Latin America tonight as we observe Lincoln's birthday. For Lincoln is known and ven-

[1] Address made at a Lincoln Day observance of the Union League Club of Philadelphia at Philadelphia, Pa., on Feb. 12 (press release 62).

erated throughout the Western Hemisphere as a preeminent American in the all-inclusive sense of the term. Earlier this week I was in San Salvador for the opening meeting of the new Inter-American Development Bank.[2] While there I called on President Lemus of El Salvador. In his office hangs a portrait of Lincoln, who has been described as the precursor of the good-neighbor policy. Nearly a century ago Lincoln voiced our sentiments toward the other Americas in eloquently simple terms which have applicable validity today. In a message to the United States Senate on May 30, 1862, he said:

> Several of the Republics of this Hemisphere are alarmed at a supposed sentiment tending to reactionary movements against Republican institutions on this Continent. It seems, therefore, to be proper that we should show to any of them who may apply for that purpose, that compatibly with our cardinal policy and with an enlightened view of our own interests, we are willing to encourage them by strengthening our ties of goodwill and good neighborliness with them.

In those days "good neighborliness" signified cooperation in winning and defending independent sovereignty and fostering the growth of full democracy. These principles still guide us today, but a new dimension has been added: the need to cooperate in improving living standards all over the hemisphere.

Latin American governments are under relentless pressure from their peoples to achieve the kind of material progress they see in the industrialized nations. Knowing the spirit of Lincoln, they naturally turn to the United States for brotherly assistance in their great efforts to narrow the gap between our per capita income of $2,100 a year and their average per capita income of $285 a year. We have a sympathetic interest in helping our fellow Americans to enjoy a larger share of the good things of life. We have a national interest in seeing their urgently desired growth achieved in a strengthening environment of freedom. Latin America is also very important to us in the field of trade. Our trade with Latin America is steadily increasing and now amounts to $4 billion a year in each direction. This is what we mean when we talk of interdependence.

Latin America is presently experiencing a so-called "population explosion." Since 1900 its population has nearly tripled and now numbers some 188 million. If the present birth rate continues, it has been estimated that in 40 years the population will exceed 500 million. This expansion is indicative of progress because it dramatizes a remarkable drop in death rates resulting from cooperative efforts in which we have joined to extend sanitation, eliminate infectious diseases, and improve nutrition. Accompanying progress in other fields has resulted in a rise in gross national product of about 5 percent a year. But, because of the rapid population increase, per capita income has risen much more slowly.

Need for Economic and Technical Assistance

Both external capital and technical assistance are needed if our sister republics are to make adequate progress toward establishing viable economies under stable, free institutions.

Outside help, of course, can only stimulate and contribute to growth. It cannot substitute—nor should it be employed as a substitute—for economically sound and well-conceived efforts which must be made by the governments of Latin America themselves if they are to satisfy their peoples' legitimate aspirations. Responsible leaders of Latin America recognize this fact.

We are endeavoring to help them achieve the blessings of free development for their peoples through multilateral arrangements with other governments, through our own Government's programs of technical and capital assistance, and through the resources of private United States enterprise. We are guided in our efforts by the spirit of cooperation and mutual respect which has traditionally characterized relations among the interdependent states of the Americas.

The Inter-American Development Bank, which is being launched at the meeting I attended earlier this week in El Salvador, is the newest tool in this effort. It is a billion-dollar institution to which the United States has subscribed about 40 percent of the capital, the rest coming from the Latin American countries themselves. With the sole exception of Cuba all of them have joined with us in creating this new instrument uniquely conceived to meet their development needs.

Perhaps the Bank's most striking feature is that it is more than just a financing association. It is truly a development institution. For it will provide technical assistance to participating countries to insure that development projects are properly prepared, properly engineered, and properly de-

[2] See p. 344.

signed. Another important service to be rendered by the Bank will be the furnishing of advice on other available sources for financing all or part of individual projects. In this way it is expected to become the central force for the overall coordination of development efforts, both public and private.

In the past many people in Latin America have felt that we have taken them too much for granted. Many also have feared that higher priority was being given to the needs of the newly emerging countries of Asia and Africa, which are comparatively less developed. They therefore hail the Inter-American Bank as an instrument which will give them an active voice in hemispheric development and in the allocation of available funds.

Our membership in the Bank is a concrete expression of our interest in assisting the peoples of the Americas to pursue sound economic policies which will make a maximum contribution to hemispheric growth in an atmosphere of mutual trust and understanding. It complements our long-term participation in the work of the World Bank and the International Monetary Fund, both of which will continue to make financing available to Latin American nations. These institutions have recently increased their resources as a result of our initiative. Another American initiative which will contribute to Latin America's progress is the new International Development Association.[3]

The other American states will, of course, also continue to be completely free to seek bilateral assistance from our Export-Import Bank and, when they are unable to obtain financing from other free-world sources, from our Development Loan Fund.

U.S. Financial and Technical Programs

Some notion of the size of our bilateral loans to Latin America can be gleaned from these figures: During the past decade the Export-Import Bank has loaned $2,667 million to Latin America. Since the Bank was founded 25 years ago, more than 40 percent of all its loans have been made to Latin American borrowers. If we add to this record that of the Development Loan Fund and the International Cooperation Administration and its special assistance programs, as well as the loans made under our P.L. 480 program for the disposal of agricultural surpluses, the grand total is $3,567 million. Many of these public loans have gone toward the construction of harbors, highways, power, irrigation, and other projects for which adequate local capital was not available but which had to be created before sustained development could begin.

Private United States investments in Latin America, which now total more than $9 billion, have played an even larger role in development. For the past 5 years private U.S. investment in the area has increased at an average of some $600 million per year. It has been estimated that U.S. private capital made it possible for Latin America during the 1950's to develop nearly twice as fast as it otherwise would have.

U.S. firms in Latin America have been good "corporate citizens," and many responsible Latin American leaders are now publicly acknowledging the constructive role of U.S. investors in the growth of their countries. Since local capital is inadequate to do the job of development alone, it is vital to Latin America that the rate of private U.S. investment continue.

Naturally, economic progress must be pursued by each country in ways consistent with its own cultural, political, and economic patterns; but if investment is to continue there must always be due regard for the legal and property rights of citizens of other nations. When foreign investors are subjected to expropriation without proper, equitable, and effective compensation, it can hardly be expected that foreign investment will continue to be attracted.

Financial assistance and the benefits of expanding trade are not sufficient, in themselves, to bring about development. People are the most essential ingredient of growth. There is a need in Latin America for a healthy, well-trained labor force, for modern agricultural, industrial, and managerial techniques, and for improved human skills at all levels. We have been working bilaterally with the other governments of the hemisphere since 1942 in joint endeavors to supply these needs. And it is perhaps in this area of technical cooperation that we can take the greatest satisfaction from our programs of assistance.

Our first technical cooperation programs were in public health, agriculture, and education. These programs are still important, but the con-

[3] See p. 345.

cept of technical cooperation has been broadened to deal with problems in many other fields, including industrial hygiene, modernization of business methods, development of trained managers and administrators for private enterprise and of qualified civil service personnel for government. Our programs have had a radiating, beneficial effect by stimulating many locally conceived innovations which are aiding progress.

The financial and technical assistance projects which I have been describing are major elements of our Mutual Security Program, or, as it is popularly known, "foreign aid." The Congress will soon begin the annual review of budget proposals for mutual security. I suppose that when public attention focuses on the hearings it is inevitable that we shall hear the same old argument that money spent on foreign aid is a "giveaway."

Ladies and gentlemen, I can assure you that foreign aid is no "giveaway." Mistakes in administration have been made, of course, for the mutual security operation is a human institution and is subject to human frailties. But we are constantly improving our policies and our performance. Speaking as a former investment banker, I want to make it clear that foreign aid is an investment in our own security which is paying handsome dividends by contributing to the strength and progress of the free-world community of nations.

As all of you well know, President Eisenhower regards mutual security as a keystone of his legislative program. I hope that each of you will give it your unqualified support. Foreign aid deserves well of the Republican Party—the party which gave us Lincoln—for it is rooted firmly in the Lincolnian tradition of practical idealism.

Spirit of Nationalism in Latin America

I would like to speak with candor on another subject: There is today a strong spirit of nationalism abroad in Latin America. It sometimes finds a convenient outlet for frustration and impatience through intemperate attacks upon the United States. On occasion it has erupted into violently "anti-Yankee" demonstrations.

In the face of these outbursts we have followed a policy of restraint and forbearance. No other course would be consistent with our profound sympathy for the yearnings of the Latin American people—and let us recall that we have had our share of nationalism, when we, too, were experiencing the growing pains of a newly developing nation.

We have recently seen heartening evidence that responsible leaders of Latin America are increasingly disturbed by unfounded slanders against our country and its citizens. They are aware that to let this intemperance go unchecked or unanswered by our many friends in Latin America could eventually disrupt the mutually constructive relationship which characterizes the inter-American system.

International communism schemes to capitalize on nationalist leanings through strenuous efforts to fan them into hatred and envy of the United States. These efforts will have little success if with our help, Latin America's moderate leaders are enabled to steadily improve the lot of their peoples within the framework of free and prospering societies which zealously guard human rights and offer ever brighter opportunities for individual growth. For the best answers to communism are democratic governments which energetically and successfully concern themselves with the welfare of all their people. And the best answers to anti-United States stirrings are concrete demonstrations that we are not preoccupied with the *status quo* but desire to identify ourselves with the surging aspirations of the Latin American peoples and to help them strengthen democracy and attain higher standards of living. Within such a framework of mutual understanding constructive nationalism can be a progressive force in Latin America, as it was in our own country.

A welcome occasion to reaffirm our identity with the new forces that are sweeping the America will come later this month, when President Eisenhower visits four of our stanch friends in South America—Argentina, Brazil, Chile, and Uruguay.[4]

A highlight of his trip will be an opportunity to discuss Operation Pan America with President Kubitschek of Brazil. This farsighted initiative of President Kubitschek calls for an ambitious all-out attack on Latin America's economic ills. The United States favors the concept of Opera

[4] For an announcement of the President's visit, see BULLETIN of Jan. 25, 1960, p. 119.

[5] For background, see *ibid.*, June 30, 1958, p. 1090, and Oct. 13, 1958, p. 574.

tion Pan America and will lend its warmhearted cooperation to this great idea, which has as its goal a higher standard of living and greater opportunity for all to achieve this goal. It urges greater productivity, a proper degree of self-help to match outside assistance, and the gradual elimination of trade restrictions.

In conclusion let me say that all of our endeavors in Latin America are part of a single common enterprise. We share with other American states the conviction that free peoples who respect human rights, the dignity of the individual, and the equality of nations can, through cooperation, not only preserve their liberties and cultures but also build a better and fuller life for themselves and for their children.

We share with the peoples of the other Americas the same human needs and aspirations, the same spiritual values, the same reverence for democratic ideals, the same faith in the individual. We share with them, in short, the values for which Abraham Lincoln stands as a towering symbol.

Pan American Day and Pan American Week, 1960

A PROCLAMATION[1]

WHEREAS on April 14, 1960, the peoples of the twenty-one American Republics will honor the seventieth anniversary of the founding of an organization for peace, friendship, and cooperation in the Americas, now known as the Organization of American States; and

WHEREAS the people of the United States view with warm and sympathetic interest the establishment and growth in this Hemisphere of democratic, representative governments, dedicated to serve both the desires and interests of their own peoples as well as those of the inter-American community; and

WHEREAS the American Republics have joined together in programs to increase hemispheric economic progress in this new decade and to meet the rising expectations of their citizens for a better life; and

WHEREAS the spiritual, social, political, cultural, and economic progress of the peoples of the Hemisphere is necessary for the continuing vitality of the inter-American system, and the United States of America is proud to be a part of this progress:

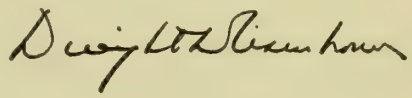
NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby proclaim Thursday, April 14, 1960, as Pan American Day, and the period from April 10 to April 16, 1960, as Pan American Week; and I invite the Governors of the States, the Commonwealth of Puerto Rico, the Canal Zone, and other areas subject to the jurisdiction of the United States to issue similar proclamations.

I also urge our citizens and all interested organizations to share in the celebration of Pan American Day and Pan American Week, as evidence of the friendly interdependence which unites the people of this country with the other peoples of the Americas.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this fifth day of February in the year of our Lord nineteen hundred and sixty, and of the Independence of the United States of America the one hundred and eighty-fourth.

[SEAL]



By the President:
CHRISTIAN A. HERTER,
Secretary of State.

[1] No. 3333; 25 *Fed. Reg.* 1237.

Chancellor Adenauer To Visit Washington in March

White House press release dated February 6

Dr. Konrad Adenauer, Chancellor of the Federal Republic of Germany, will call on the President at 10:30 a.m., March 15, 1960. The Chancellor has also accepted the President's invitation for luncheon on the same day.

Chancellor Adenauer will be passing through the United States on his way to Japan, where he will be paying a visit.

It is expected that the Chancellor will remain in Washington until the afternoon of March 17.

Secretary Herter's News Conference of February 8

Press release 53 dated February 8

Secretary Herter: Ladies and gentlemen, I have no prior announcement to make, so I will be ready for questions.

Q. Mr. Secretary, last November at a news conference [1] *you told us that you thought the Russians had come a very long way on Berlin since November 1958, when they were threatening to throw us out. Now, in the past 2 or 3 months, Mr. Khrushchev seems to have become a little tougher on it. I am thinking particularly of his statement that, if we don't make a peace treaty on his terms, he will sign a separate treaty with East Germany with all the consequences that entails. Do you feel that, since you talked to us in November on that, he has become tougher in his position?*

A. Yes, I think that is the only way one can interpret the statements that have been made since that time—not alone the statements which he has made but also the declaration in the recent Warsaw Pact meeting,[2] which went pretty far from the point of view of indicating that, if within a given period of time, with no period specified, there were no separate peace treaty with the two Germanies, the Warsaw Pact countries would feel obliged to make a separate peace treaty with East Germany.

Q. Mr. Secretary, does that mean that, in light of the Camp David agreement or understanding between the President and Mr. Khrushchev,[3] *we feel under some compulsion now to do something about Berlin at the summit meeting in mid-May?*

A. I think the words "some compulsion" to do something about Berlin go too far. I think we have always been in a position where we were will ing to discuss the problem of Berlin, the probler of Germany, to negotiate in good faith withou undue delay. But, as far as we know, Mı Khrushchev's agreement that there was no tim limit in terms of an ultimatum still stands.

[1] BULLETIN of Dec. 14, 1959, p. 864.

[2] For a U.S. comment on the declaration, see *ibid.*, Feb. 22, 1960, p. 284.

[3] *Ibid.*, Oct. 12, 1959, p. 499.

Situation in the Dominican Republic

Q. Mr. Secretary, Venezuela is going to the Or ganization of American States today to accuse th Dominican Republic of violating human righ and of increasing tensions in the Caribbea Would you care to tell us what our positio is on that issue?

A. The first question, as I understand it, ths will come up at the OAS is essentially a pro cedural question, and that is to which body of th OAS this matter should be referred for cor sideration. There has to be careful examinatio of the wording of the Venezuelan request. An I cannot, of course, foretell just which organ will be. It might be the Peace Committee, or might be some other organ. But I think that the first matter that will have to be determined.

Q. Mr. Secretary, last summer, when you wer to the Santiago conference, you were one of th signatories to the Santiago declaration,[4] *whic called upon all of the Americas to "ensure a syste of freedom for the individual and social justi based on respect for fundamental human rights Do you think that has been observed in the D minican Republic?*

A. I cannot comment with too great assuran with regard to the facts about the Dominican R public. We have been very much disturbed b the reports of the arrests there. Our Ambassad there, Mr. [Joseph S.] Farland, before leavin

[4] For text, see *ibid.*, Sept. 7, 1959, p. 342.

called the attention of the Government there to our feelings that, if the reports were correct, this was a difficult and serious situation. However, insofar as the exact facts are concerned, we are not in sufficient possession of those facts, without further investigation, to know to what extent human rights have been violated.

Question of Sharing Nuclear Secrets

Q. Mr. Secretary, on the matter of possibly sharing nuclear secrets or weapons with the allies, has the administration come to a resolution of this issue? Is it going to ask for a change in the law?

A. My impression is that that matter was covered at the White House the other day, where it was stated that no executive piece of legislation has been filed nor is it in the process at the present time.

Q. Well, are you excluding it as a possibility at this session of Congress?

A. No, I wouldn't exclude it. On the other hand, I wouldn't prophesy that it would come.

Q. Well, could you tell us what your idea is, as Secretary of State, considering the part of the argument which has to do with opening up nuclear weapons—the so-called "fourth country" problem—especially since you are wrestling with the disarmament and test-ban issues at this time?

A. I would say that this is a very difficult and a very complex problem. It is one which we have been studying for a considerable period of time. It is one on which, as you may realize, there is a considerable conflict of view as between different nations—those who don't want to see an increase in the spread of nuclear knowledge, those who themselves want to achieve more nuclear capability. And we have to balance all of those factors. And, as I say, no decision has yet been reached.

U.S. Policy on Suez Canal

Q. Mr. Secretary, in February of 1957, when the United States was urging Israel's withdrawal from the Sinai Peninsula, President Eisenhower said:[5]

We should not assume that, if Israel withdraws, Egypt will prevent Israeli shipping from using the Suez Canal or the Gulf of Aqaba. If, unhappily, Egypt does hereafter violate the Armistice Agreement or other international obligations, then this should be dealt with firmly by the society of nations.

Egypt has repeatedly stopped ships carrying cargoes to and from Israel, the most recent issue involving the cargo of the Danish ship, the Inge Toft. Is the United States now planning to take leadership in the United Nations to deal firmly with this current Suez affair?

A. This is a matter that I have commented on before, but I will repeat my comment as of that time. In my statement before the United Nations this fall[6] I made a pretty strong statement with regard to our own policy on freedom of transit in the Suez Canal. When this specific incident and subsequent incidents arose, the Secretary-General of the United Nations undertook to try to adjust this matter as between Israel and Egypt. His efforts are still continuing. As of now, they do not appear to have been too successful. But how they will turn out, I cannot say at this time. He may still succeed in working out a modus vivendi which will take care of that problem. Until we know the degree of success or failure which he has achieved, I feel that working through that channel, to which we have given full support, is the best way of handling the matter.

Disarmament and Nuclear Test Suspension

Q. Mr. Secretary, at what stage, sir, do you believe that Communist China should take part in a nuclear or a general disarmament agreement, and would you draw any distinction that is to be made between the two?

A. No, I don't think there is necessarily any distinction that need be made between the two. Insofar as the nuclear test suspension is concerned, it is obvious that while there are only three nations engaged in discussing the matter, should they reach agreement, that agreement can be valid for other sections of the world only if it is adhered to by other nations. At that time the question of the adherence of Communist China would become an important factor and would, I assume, be asked for. Until they can reach agreement among themselves, particularly with the two principal nuclear powers involved, it would

[5] *Ibid.*, Mar. 11, 1957, p. 387.

[6] *Ibid.*, Oct. 5, 1959, p. 467.

seem to me futile to move into the overall international field.

With respect to general disarmament, it is obvious that, if the major powers who are beginning the discussions in that matter should come to general agreement, then, again, the principles on which they made their agreement would have to be spread to other nations. As you may recall, when the 10-power conference was agreed to,[7] the United Nations was notified that reports would be made to the United Nations on progress in this field in the full expectation that the general Disarmament Commission of the United Nations would take notice of that progress and, if the question of expansion became an important part of general adherence, that the United Nations would undoubtedly carry on from there.

Q. Mr. Secretary, in view of the sort of stalemate which has developed in the talks at Geneva, what expectation or hope do you have that an agreement can be reached on a complete ban on the testing of nuclear weapons? And in that connection what possibility is there that the United States may introduce a proposal for a limited prohibition?

A. This is a matter, of course, to which we are giving very serious consideration. I am hopeful that in the comparatively near future we will be able to make some new proposals which we, of course, hope will be favorably entertained by the Russians. However, until those proposals have actually been made, I feel that I should not discuss the details of them.

Q. Can you tell us, sir, whether, in fact, there is an agreed administration position on new proposals? This story has been widely printed, including the threshold idea.

A. I think we are coming very close to one. As I say, I am hopeful that in the very near future we will be able to make some proposals at Geneva.[8]

Q. Can you tell us on the general disarmament question, in view of the five-power meeting this week, whether there is in that case an agreed United States position with respect to the five?

A. There are a great many matters that have been placed on the agenda for discussion by the five nations. While they are in the course of discussing them, while they have the opportunity o offering their own ideas, I do not feel at liberty t outline in detail such matters as we have laid o the table. But there is a very considerable amoun subject to discussion. The principals, as you know will be here by Wednesday [February 10]: Mr [David] Ormsby-Gore from Great Britain an General [E. L. M.] Burns from Canada have al ready arrived in town; Mr. Jules Moch will arriv for France; and Mr. [Gaetano] Martino, th former Foreign Minister of Italy, will be comin on behalf of Italy. At that time the principal in the negotiations will be going over the prelim inary work that has been done up to date.

[7] *Ibid.*, Sept. 28, 1959, p. 438.

[8] See p. 327.

Prospects for Settlement of Berlin Problem

Q. Mr. Secretary, in answer to an earlier que tion you said that the only interpretation that yo can draw about the recent Soviet statements is tho they are a little tougher now on Berlin than the were. Is this a matter of serious concern to us a government, and does it decrease the prospe that there could be even an interim settlement o the Berlin problem at the summit conference?

A. Well, I will not predict what is likely happen at the summit conference. But insof as the seriousness of the situation is concerne I think that was best expressed by the Presiden at his last conference, at which he said to all in tents and purposes that, if unilateral action wa taken by the Soviets or the Warsaw Pact countri to abrogate our rights, this would be a very serio thing.

Q. Mr. Secretary, in that connection do yo think that this talk about the Soviet desire to sig a separate peace treaty with East Germany unle we agreed to their terms to an all-German trea actually constitutes a violation of the understan ing that Premier Khrushchev made with Pres dent Eisenhower at Camp David when he sa that he would remove the element of threat?

A. If this were done prior to an opportunit for full discussion and negotiation, I would thin that it certainly violated the spirit of the agre ment reached at Camp David.

Q. Mr. Secretary, there are some tests goin on in Louisiana to try to find out if an explosio can be concealed in an underground hole. Britis and Canadian scientists have been invited to pa

ticipate—are participating, I understand. Has such an invitation been extended to the Soviets and, if not, why?

A. Well, as yet no invitation has been extended to the Soviets. It's very possible that one might be.

Q. It has not?

A. It's very possible that one might be.

Q. When, sir?

A. I'm going to wait on the details for that until we can announce the proposals which, as I say, we hope will be made very shortly.

Q. Mr. Secretary, in answer to Mr. [John] Scali's [of the Associated Press] question, I think you said that, if this kind of threat was implicit or raised before there was a full opportunity to discuss Berlin, you would consider that a violation of the Camp David agreement.

A. A violation of the spirit—not the spirit of Camp David, but the spirit of the agreement made at Camp David.

Q. Well, now, the question then would be, has what Mr. Khrushchev and the Warsaw Pact people said so far—does that constitute such a violation?

A. No, because they have not put any time limit on this at all.

Passport Legislation

Q. Mr. Secretary, the Supreme Court has ruled that the Secretary of State has the authority to limit travel of American citizens to certain geographical areas but that he does not have discretionary authority to deny a passport altogether. There are several bills now on the Hill which will give the Secretary of State that discretionary authority. There are some people on the Hill that believe that any limitations on passports should be actually written into the legislation. How do you feel about this?

A. Well, I'm not quite certain that the premise on which you base your question is correct. It was my impression that the Supreme Court decision did permit of the denial of passports to individuals because of specified acts which they had committed, not because of their beliefs, political beliefs, or membership in a party, but because of actual, concrete acts which they have performed inimical to the interests of the United States. And I think that our passport legislation is based on that decision of the Court. My understanding may be incorrect, but that is my understanding of it.

Q. Sir, do you favor these bills that would give you discretionary authority, I mean to deny passports?

A. Yes, for a very limited number of cases, I do.

Q. You would have the discretionary authority not written actually into the legislation then?

A. No. The discretionary authority would be given to us where we can show that the individual has committed acts inimical to the United States and therefore his travel for the purposes of carrying on such acts would be detrimental to the United States.

Q. Mr. Secretary, in answer to a previous question I understood you to say that, if the time came that the broader disarmament agreement should be expanded to include other countries, the procedure for handling that would be for the United Nations to go on from there. Now, does that mean that the United Nations would seek Communist China's adherence, and would this require Chinese membership in the United Nations?

A. It might well seek Communist China's adherence to the agreement. But I don't think it would necessarily require Communist Chinese membership in the United Nations any more than it would require recognition by any power of China. I was, of course, speculating as to what that next step might be, but I think it's a reasonable assumption that the United Nations would take cognizance of this situation because of their approval of the negotiations of the 10-power group with the proviso that it does its reporting on all of its activities to the United Nations.

Q. Mr. Secretary, assuming that the question of a peace treaty for Germany or for the two Germanies is considered at a summit meeting and there is failure at that meeting to agree, would you consider that full discussion and would you consider a Soviet move to sign a separate treaty after the summit and after it had been discussed a violation of the spirit of the agreement at Camp David?

A. That is a difficult question to answer because a good deal would depend on the discussions at the summit meeting. It's hard for me to visualize that in a few days the men at the top level who are meeting could actually draft a satisfactory agreement in that period of time. And I just assume that, if there came to be even a greater meeting of the minds than exists today, the drafting or an attempt to draft something would be referred to foreign ministers or to deputy foreign ministers, some group at a lower level, perhaps for reconsideration at another summit conference or perhaps for action by their respective governments right away. It's very hard for me to visualize an ultimatum being put up at a summit conference, take it or leave it, in such-and-such form, in which the participants would have only a few days to make up their minds or even to discuss the matter.

U.S.–Cuban Relations

Q. Mr. Secretary, what's your appraisal of the Cuban situation in light of the President's statement here a week or so ago and Mr. Mikoyan's [Anastas I. Mikoyan, First Vice Chairman of the Council of Ministers of the U.S.S.R.] visit?

A. Well, insofar as Mr. Mikoyan's visit is concerned, I'd rather not comment on that. I don't think that that is a material factor one way or the other. It is something that was arranged quite a long time ago. Insofar as existing relationships between ourselves and Cuba are concerned, there has certainly been a very considerable dampening down of the very violent attack which, during the middle week in January, was so apparent.

The answer to the President's note, or the statement of policy with regard to Cuba,[9] came to us through the statement of the President of Cuba,[10] the Minister of Foreign Affairs being abroad at the time. That statement had certain conciliatory passages in it, particularly the two paragraphs which dealt with his views that all outstanding questions between us could be settled through normal diplomatic channels. However, we are not quite clear yet that the situation is in such shape that the resumption of normal diplomatic negotiations through the Ambassador would be worth while. We are still waiting, and no decision has yet been made with regard to Mr. [Philip W.] Bonsal's return.

Q. Mr. Secretary, to get back to the President's statement about the exchange of atomic information or know-how to our allies, can you tell us what has happened that makes this more important and desirable now than it was in the recent past and specifically whether the President had in mind helping the French to make progress in detonating their own nuclear device?

A. Well, I think that it would be entirely inappropriate for me to try to tell you what was in the President's mind when he made that statement. I think that the clarification of it from the point of view of specific action as of now has been made. I think that what the President was indicating was that we were continuously watching this situation, that he gave an opinion himself with respect to seeing that we ought to act on the generous side with regard to sharing, but that he did not make any specific suggestions as to how this should be implemented at the present time.

Q. Mr. Secretary, you said there is no decision on Ambassador Bonsal's return to Cuba. Does that mean that his recall was an act of policy instead of merely a recall for consultations?

A. It was certainly an act of policy insofar as he had been accused by the Cuban Government of plotting against the Government.

Q. Mr. Secretary, in 1957, in effecting the settlement of the Suez crisis, the United States took an active and very successful leadership. Is there any reason to believe that in the current Suez situation Egypt would be less responsive than was Israel to such leadership?

A. There I'm afraid I cannot give you the answer. I just don't know.

U.S. Progress in Space Exploration

Q. Mr. Secretary, what's your opinion as to the status of U.S. international prestige with regard to space exploration? This has been getting kicked around quite a bit lately, and I don't believe you have been heard from yet. (*Laughter.*)

A. Well, there is no question in my mind but that the Soviet Government has performed a very

[9] BULLETIN of Feb. 15, 1960, p. 237.

[10] The text of a speech made by President Osvaldo Dorticos at Habana on Jan. 27 was transmitted to the American Embassy on Jan. 29 with a third-person note making it clear that the speech was to be considered an official reply to President Eisenhower's restatement of policy.

remarkable feat in space exploration, technical and scientific. At the same time, we have performed some quite amazing feats in the same field, but they didn't have the same glamour because they were not done on as large a scale or with as big a booster. It's very hard to weigh relative things, certainly from the point of view of sensationalism, dramatic performance. The Russian lunar shots and so on have been very considerable. Ours have not had the same impact. We actually have, I think, in orbit a larger number of vehicles than the Russians have in orbit, but all of those are for various scientific purposes, a number of them rather limited and highly technical, but I think we are making very good progress in this field.

Q. Mr. Secretary, would you consider inviting the Russians to observe nuclear explosions, or were you thinking only of conventional explosives in regard to the —

A. You mean in regard to the suggested tests in Louisiana?

Q. Yes.

A. Those, I think, are conventional.

Q. Do you have any intention of inviting the Russians to observe underground nuclear tests?

A. We haven't made any determination about any continuing nuclear tests yet.

Q. Mr. Secretary, I wanted to ask you if you felt also there was some relation by the other nations of the world to space exploration and our defensive power?

A. I am very sorry—

Q. —the relationship between space exploration and our defensive strength, rather; do you think that this is a factor in public opinion?

A. Yes. I think it's undoubtedly a factor in public opinion, largely because the booster that has been used by the Russians in space exploration is larger than any we are using. I think that factor is always something that weighs in the public's mind.

Q. Mr. Secretary, since the United States and Japan signed their new security treaty,[11] *on January 19, the Soviet Union has informed Tokyo that it does not feel that the return of Habomai and Shikotan Islands is any longer justified. Would you comment on that, sir?*

A. Yes. I have given considerable thought to this and have actually jotted down some thoughts, which I'd be very glad to give to you. The Soviet note attempts to call into question the right of the Japanese people to provide for their own defense. I think the Japanese Government has correctly characterized this note as unwarranted interference by the Soviet Union in the affairs of another country. Such interference is all the more striking in a note which emphasizes the Soviet Union's capacity for the destruction of Japan. Threats of this sort underline the necessity which compels the nations of the free world to take steps to assure their self-defense. I also find distressing the unilateral repudiation by the Soviet Union of its previous commitment to the Japanese Government to return the islands of Habomai and Shikotan at the conclusion of a future peace treaty with Japan. I consider the Soviet attitude to Japan to be out of keeping with their protestations of noninterference in the affairs of other nations and their professed desire for a relaxation of international tension.

Q. Mr. Secretary, sir, can you tell us the status of current negotiations to arrange for ICBM installations on the Spanish side of the Pyrenees Mountains?

A. I very frankly can't. I didn't know any such negotiations were under way. (Laughter.)

Question of the Missile Gap

Q. Mr. Secretary, the Soviet Union apparently is leading the United States, according to some critics, in a military posture vis-a-vis the United States. First of all, sir, do you think this is so? Are the Soviets ahead of us in military strength through missiles, and secondly, if this is so, does this account for the stiffening Soviet attitude on such questions as Berlin?

A. Well, in the first place, you are asking me to get into the current estimate of relative strength, on which I think a great deal has been said by much better experts than I am in this field. Whoever has done the estimating, I think, has agreed that the Soviets are gaining in strength in the missile field, and it's possible that the Soviets feel that their increased strength from a military point

[11] For background and text of treaty, see BULLETIN of Feb. 8, 1960, p. 179.

of view—not necessarily from the point of view of being able to take the offensive without an unacceptable retaliatory strike but from the point of view of their defensive capacity—has made them—has given them greater assurance in what they are saying in the international field. But there again that is only speculation. And I think that sometimes it's unfruitful to get into speculation of that sort.

Q. Mr. Secretary, in that same vein, sir, do you think that the United States ought to make a greater effort to close the gap, then, if this is creating a sense of increased strength on the part of the Soviets in their dealings with us and the rest of the free world?

A. Now you are getting into a very technical field, the question of the closing of the gap. This is a matter that has, of course, been given a great deal of very serious consideration by people in the administration, by people up on the Hill. And there are some conflicting views in our military on the subject.

Insofar as I am concerned, I have heard a number of the discussions on this matter and have faith in the President's and the Joint Chiefs' and Mr. Gates' [Secretary of Defense Thomas S. Gates, Jr.] evaluation that we are taking steps to close that gap as effectively and as soon as we can and that there will not be a disparity in strength in the coming years which would in itself tempt the Russians to make a sudden attack upon us.

Q. Mr. Secretary, to come back for a moment to the Dominican question, do we have any new initiative in mind before the OAS on that problem, especially in view of reports by congressional visitors—U.S. congressional visitors—in Latin America that we are projecting the image that we are more concerned with the property rights than with the human rights in the Western Hemisphere?

A. No. I think that we have been examining the situation very carefully, particularly in relation to American citizens. And, as I say, it's been a matter of concern to us. There have been reports that there can be expected almost momentarily an amnesty from the point of view of the large numbers who have been arrested. Whether or not this is true, we don't know. But as you know, there have been representations particularly from prominent people in the church down there, requesting that there be such amnesty.

The developments, as I say, are not very clear. We are doing our best to ascertain what the situation is, and in this matter of human rights I think that it is quite right that this should be discussed with the OAS as being a matter of interest to all Latin American countries.

Canal Zone Problem

Q. Mr. Secretary, it's been over 2 months since President Eisenhower expressed his belief that there should be some visual evidence of Panama's titular sovereignty in the Canal Zone. In that period there have been meetings between the representatives of the State and Defense Departments on a recommendation to make to the President, but it hasn't gone forward yet. Could you tell us what is holding up that recommendation?

A. I have not yet received from the lower levels a recommendation to pass on to make to the President. The matter is being considered and considered in the light of a great many different factors, including, of course, the recent congressional resolution on the subject.[12] It's a bothersome problem. It's an intricate problem, and all I can say is that we still have it under study.

Q. Mr. Secretary, a number of people in high places are saying that the U.S. must begin nuclear testing, at least underground, by this summer or early fall. Does this mean that the State Department has a sort of deadline by which time it must produce some sort of agreement?

A. No, we have no deadline that I know of.

Q. Mr. Secretary, the Air Force Chief of Staff [Gen. Thomas D. White] told Congress last week that depredations against American bases in the Philippines and American personnel had gone beyond the dealings of a commander on the spot with the local authorities and would reach diplomatic levels. Can you tell us if anything has been done diplomatically between the United States and the Philippines?

A. No, that is a matter which I am not familiar with. I'd be very glad to look into it and let you have the answer. But I know nothing about it.

Q. Thank you.

[12] H. Con. Res. 459, 86th Cong., 2d sess.

.S. Presents New Proposal n Nuclear Weapons Tests

TATEMENT BY PRESIDENT EISENHOWER

hite House press release dated February 11

The United States is today presenting in Ge-va a proposal, involving the ending of nuclear eapons tests, to end the apparent deadlock in e negotiations. This Government has stood, roughout, for complete abolition of weapons sting subject only to the attainment of agreed d adequate methods of inspection and control. he present proposal is designed to end nuclear eapons tests in all the environments that can w be effectively controlled.

It would end forthwith, under assured controls:

(1) all nuclear weapons tests in the atmos-here;

(2) all nuclear weapons tests in the oceans;

(3) all nuclear weapons tests in those regions space where effective controls can now be agreed ; and

(4) all nuclear weapons tests beneath the sur-ce of the earth which can be monitored.

This proposal will permit, through a coordi-ated program of research and development, a stematic extension of the ban to the remaining eas, especially those involving underground sts, for which adequate control measures appear t to be possible now.

These are initial but far-reaching and yet read-y attainable steps toward a complete ban on uclear weapons tests. If adopted, they will pre-nt increases in the level of radioactivity in the mosphere and so allay worldwide concern. hey are steps which offer an opportunity to con-lidate the important progress made in the nego-ations thus far. It is our hope that the Soviet nion will join with us in this constructive ginning.

HITE HOUSE STATEMENT

hite House press release dated February 11

The United States Representative [James J. adsworth] at the Geneva Conference on the Discontinuance of Nuclear Weapons Tests is presenting today a proposal for the ending of nuclear weapons tests in all the environments that can now be effectively controlled.

The new United States proposal would ban all tests above ground up to the greatest heights to which effective controls can now be agreed, all tests in the oceans, and all underground tests above the present limit (or "threshold") of detection and identification.

At the same time the proposal includes provision for a program of joint research and experimentation by the United Kingdom, the Union of Soviet Socialist Republics, and the United States to improve the detection of small tests under ground and thus permit the extension of the ban to such tests. Extensive research and experimentation is already under way in the United States to improve detection instruments and techniques.

The new approach, if agreed to, should allay worldwide concern over possible increases in levels of radioactivity since it discontinues all tests which can release radioactivity into the atmosphere.

As for underground tests the proposal represents an effort to find ways around the significant disagreements that remained unresolved in the technical working group which reported to the conference in December.[1] The proposal would ban those tests which cause seismic magnitude readings of 4.75 or more. This is the level that can now be adequately monitored. We propose to express the level in terms of signal strength since Soviet and Western scientists are in substantial agreement as to the measurement of signals but not on the equivalent kiloton yields of seismic disturbances.

The United States, since the inception of the Geneva Conference on the Discontinuance of Nuclear Weapons Tests, has persistently sought a lasting, safeguarded agreement banning all nuclear weapons tests. We have, at the same time, indicated willingness, as in our proposal of May 5, 1959,[2] to move immediately to consolidate in a first-step agreement the broadest existing area of agreement while remaining difficulties are being worked out.

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[1] For background, see BULLETIN of Jan. 18, 1960, p. 78.

[2] *Ibid.*, June 8, 1959, p. 825.

With the failure to reach agreement after the technical conference which ended on December 19, 1959, it became clear that a controlled, comprehensive agreement could not, at this time, be achieved without great improvement in instrumentation or a degree of on-site inspection which would be impractical to attempt. Lack of agreement at this conference has left unresolved major technical difficulties in detecting underground explosions as well as the procedures that must be established if on-site inspections are to be satisfactorily initiated and carried out.

In this situation, the United States is determined to make all possible progress toward the ultimate objective of the negotiations. We believe that the proposal placed before the conference today, if entered into in good faith by the parties concerned, will lead toward eventual prohibition of all nuclear weapons tests under the practical and adequate safeguards that we deem as indispensable prerequisites.

If accepted, the proposal will end forthwith, under assured controls:

(1) all nuclear weapons tests in the atmosphere;

(2) all nuclear weapons tests in the oceans;

(3) all nuclear weapons tests in those regions in space where effective controls can now be agreed; and

(4) all controllable nuclear weapons tests beneath the surface of the earth.

Moreover, it will permit, through a joint program of research and experimentation, the ban to be systematically extended to remaining areas under ground, where adequate control measures are not now possible to incorporate.

These are initial, far-reaching, but readily attainable steps. They are steps which offer an opportunity to consolidate the important progress made in the negotiations thus far. These steps will also allay worldwide concern over possible increases in levels of radioactivity. More importantly, they will greatly enhance the prospects for future international arms limitation and control agreements.

It is our hope that the Soviet Union, in the light of a reasoned and objective appraisal of the facts, will join with us in this constructive beginning. Such an agreement could be a milestone toward the securing of a just and enduring peace.

The Price of Freedom

Remarks by President Eisenhower[1]

It is an honor to participate in this movin tribute to American veterans, living and dea The emblem of the Veterans of Foreign War here established, will be, I am told, perpetuall lighted, symbolizing the Nation's eternal grat tude for the service and sacrifice of those wh served its colors in the cause of freedom.

The struggle for freedom does not stop whe the guns of war cease firing. Nor will it stop, s long as freedom is suppressed or threatened an where in the world.

Freedom makes its rightful claim upon th daily life of everyone who enjoys its benefits. N deed is too small to count. Every one of u contributes in his own way to the strength America, and the strength of this country is ded cated to the preservation of freedom.

So our efforts add up to more than simply ou own health, our own well-being and economic de velopment. They answer the disbelieving an the doubtful that in freedom man can achie his rightful destiny and that men of all natio and races can live in dignity together as they see the common goal of peace with justice.

Our daily preoccupations too often divert u from our duty in the service of this noble caus We accept freedom much as the air we breath We lose sight of the connection between our ow acts and the vigor of our governmental represen atives in preserving the values we deem priceles We tend to forget the high price that was pai for the privilege of living in freedom and th price that would be exacted from all mankind freedom should ever be allowed to shrivel weaken in the earth.

This is why it is well for us to pause to a knowledge our debt to those who paid so large share of freedom's price. As we stand here grateful remembrance of the veterans' contrib tions, we review our conviction of individual r sponsibility to live in ways that support th eternal truths upon which our Nation is found and from which flows all its strength and all i greatness.

Thank you very much.

[1] Made at the dedication of the Washington Memori Building of the Veterans of Foreign Wars at Washingto D.C., on Feb. 8 (White House press release).

The Military Assistance Program as a Tool for Peace With Honor

by Gen. W. B. Palmer, USA [1]

The theme of your forum is "peace with honor." No theme could better bring out the existing dangers to the security of the United States and what we can and should do to avert those dangers—as President Eisenhower described it in his state of the Union address of 7 January 1960,[2] "the calamitous cycle of frustrations and crises which, if unchecked, could spiral into nuclear disaster; the ultimate insanity." The frustrations and crises have all been caused by threats directed at peace with honor, at peace with freedom, at peace with justice.

President Eisenhower also said in that message:

> . . . concern for the freedom of other peoples is the intellectual and spiritual cement which has allied us with more than 40 other nations in a common defense effort. Not for a moment do we forget that our own fate is firmly fastened to that of these countries; we will not act in any way which would jeopardize our solemn commitments to them.

To open the discussions of your forum, I have been asked to speak tonight on "The Military Assistance Program as a Tool for Peace with Honor." It is self-evident that our military assistance program is a tool for peace with honor; I am not going to talk about that. The question is how effectively the tool is being used.

There has probably never been a time when a report on that subject was more timely and appropriate. The United States Government has been conducting its military assistance program for some 10 years, during which the principal factors of military strength have undergone revolutionary changes; and accordingly during the past year there have been some searching reviews of the program. The results have by now been pretty well crystallized, and tonight I can summarize for you the present status of the military assistance program as brought out in exceptionally careful and thorough studies by exceptionally able and distinguished men.

A Shield of Common Defense

Our military assistance program is not a private affair of military men; it is an instrument of our foreign policy. Military assistance is a part of our broad program of aid to foreign countries which in total is called the Mutual Security Program. Since it is an instrument of our foreign policy, the Mutual Security Program, including military assistance, comes under the supervision and general direction of the Secretary of State. The whole broad Mutual Security Program is flexibly designed to meet military threats where they exist and to contribute toward economic development among the nations of the free world.

It is to be hoped, of course, that our leadership in assisting underdeveloped countries toward a better standard of living and a richer life will in the long run produce great benefits for the entire world; but the position of the peoples of the free world at the present moment is a good deal like that of our pioneer ancestors who carried the frontiers of civilization westward across America—while they cleared the wilderness and planted their crops, they had to keep their rifles always within arm's reach. Military security is a prerequisite to economic progress, and it is the shield of common defense which permits the nations of the free world to pursue independence and

[1] Address made before the Women's Forum on National Security at Washington, D.C., on Jan. 28. General Palmer is Director of Military Assistance in the Department of Defense.

[2] BULLETIN of Jan. 25, 1960, p. 111.

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economic growth in honorable peace. That shield of common defense, formed by the combined military strength of the United States and its free-world partners, is in large measure the creation of the military assistance program.

It must be obvious to everyone that there is a close relationship between our military assistance to many countries and the availability to us of overseas bases for the deployment of our own advanced forces and missiles; that our national security is strengthened by the collective security of our alliances, while reciprocally our allies are strengthened by measures primarily designed for the national security of the United States.

As Secretary McElroy said to the American Legion convention a year ago:

> We intend through our military assistance program to continue to build up the forces of our allies. These are the forces which in many parts of the world would have to take the initial brunt of an aggressor's attack. Dollars spent wisely on them will increase our limited war, as well as our unlimited war, capabilities and save us many dollars in our own defense expenditures. Our Joint Chiefs of Staff recently stated, with complete unanimity, that they would not want one dollar added to our own defense expenditure if that dollar had to come out of our military assistance program.

Let me give you some figures that show what the Joint Chiefs of Staff were talking about. The total of all our major national security expenditures over the fiscal years 1951 to 1959 was approximately $377 billion. Of this immense sum the military assistance program got approximately $23 billion, about one-sixteenth.

About half of the $23 billion was spent during and immediately after the Korean war, when we were striving to strengthen our allies in a hurry. For the past 5 years the expenditures on military assistance have averaged about $2,400 million a year. We believe that it will be necessary to maintain a level of spending of about $2 billion a year on military assistance for several years yet. I would not care to guess how many.

You understand that each of the countries to whom we give military assistance has a large military budget of its own; and, as far as possible, we expect it to raise its own forces, feed, pay, clothe, and train them, and furnish them with military equipment to the extent its resources permit. And as the economy of each country has recuperated and become capable of carrying a larger burden, we have asked them to do so.

Some countries have become almost wholly self-sufficient and self-supporting; some we are assisting only with the most complex and difficult of ultramodern devices, which are either beyond their technical capacity or beyond their financial means; while at the other extreme some of our sturdiest and most important allies, like the Turks and the Koreans, are entirely willing to keep large forces in the field, and are immensely valuable to the United States and to the whole free world for that reason, but simply do not have the financial resources to arm, equip, and train such forces and keep them on the payroll without our assistance.

Serving U.S. National Self-Interest

We should all realize that our assistance is forthcoming for reasons of our own national self-interest. Our national self-interest is best served by allies whose defense posture is adequate, whose self-confidence has become stronger, whose determination to resist has become steadily firmer as they have acquired the ability to protect themselves against the threats and probings of aggressors. Knowing that they do not stand alone but that the United States stands with them, they have not faltered nor fallen back when the going got tough.

Consider the inflexible courage with which Norway and Denmark have invariably rebuffed Soviet threats; consider the stanch replies of Greece and Turkey whenever they are threatened—and it is not infrequently.

Consider especially the fine manifestation of NATO's unity in the face of the threatening Soviet moves against Berlin a year ago. The Soviets have endeavored most persistently to split the NATO alliance asunder. They are always full of slogans about "the liquidation of foreign bases." They have never been able to open up even a small crack in the bonds of collective security which our military assistance program has nourished.

The existence of NATO's integrated fighting forces is attributable in large part to our military assistance program and is perhaps the single strongest bulwark against Communist aggression. It protects all of Western Europe—an area of more than 1 million square miles, with 270 million people, possessing many of the highest technical, managerial, and cultural skills of the world.

Or consider the effective response of the Chinese

Nationalist forces to the attempted aggression in the Taiwan Strait in the late summer of 1958, a response made possible through equipment and training provided by our military assistance program.

Indeed, all around the perimeter of the Communist bloc, allied forces which the military assistance program has helped to train and equip stand ready to repel Communist aggressions. These allied forces deter and contain Communist probes designed to test the free world's ability and will to resist. I say again that, by the calculation of our own self-interest, the military assistance program has been an effective tool in giving us peace with honor.

Recommendations of Draper Committee

In November 1958 President Eisenhower appointed a committee of very eminent private citizens, under the chairmanship of the Honorable William H. Draper, Jr.,[3] to make an "independent, objective, non-partisan analysis of the military assistance aspects of our Mutual Security Program. . . ." The Committee gathered an extremely able staff and over some 9 months examined the subject very thoroughly. Following a series of interim reports, the Committee made its final report last August.[4]

Considering the Mutual Security Program as a whole, the Draper Committee saw no competitive relationship between our military and economic assistance and did not consider that the military assistance program is too great in relation to the economic aid and development program.

The Committee concluded that the Mutual Security Program has played a significant role in deterring a third world war, in keeping many nations free, in supporting our strategic system of alliances and overseas bases, and in providing hope for economic progress among the peoples of the less developed countries.

The Committee found:

That the military assistance program has provided cohesion, strength, and credibility to our collective security arrangements. It has been one of the principal instruments abroad supporting our foreign policy objectives.

That it provided a large part of the weapons, material, and other support which made possible the rearmament of Europe. For the past decade further Communist encroachment in this vital area has thereby been denied, and the North Atlantic Treaty Organization continues as an essential security bulwark of the free world.

That it had achieved the strengthening of the nations around the periphery of the Sino-Soviet bloc.

That the military assistance program had influenced a shift in current Communist tactics from direct military aggression to subversion, propaganda, and economic offensives.

As to the future, the Draper Committee concluded that the necessary average level of expenditures that should be marked for military assistance over the next few years is not likely to be less in general than that required in the recent past. A moment ago I remarked that the average expenditures over the past 5 fiscal years have been at the rate of $2,400 million, approximately, and that we believe we must continue to spend at least $2 billion annually for some years to come. I am not sure that this nonpartisan Committee of eminent private citizens would not favor a rate of spending somewhat higher than that, but they did say specifically that the appropriation last year should be for $2 billion. The Congress actually appropriated $1,300 million.

The Draper Committee recommended that the military assistance appropriation should be placed in the Department of Defense budget, in competition with the appropriations for our own Army, Air Force, and Navy, rather than in competition with appropriations for economic assistance, such as the Development Loan Fund and funds for technical help.

The detailed conclusions and recommendations of this Committee of eminent citizens would fill several pages—too much to cover in full here—but I can say that the Department of Defense has moved promptly to strengthen the administration of the military assistance program along the lines the Committee recommended. One of the first measures taken was to project the planning of

[3] For names of the members of the Committee, see *ibid.*, Dec. 15, 1958, p. 954.

[4] The Composite Report of the President's Committee To Study the United States Military Assistance Program is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. (vol. I, 60 cents; vol. II (Annexes), $1).

the program 5 years into the future. The object of this is to provide a long-range, time-phased schedule of actions by areas and by countries, intended to assure that the furnishing of military assistance directly supports the United States military and foreign policy objectives.

At the same time the planning of the military assistance program has been very much decentralized to the unified commanders of the United States Armed Forces in overseas regions, particularly to our Commander in Chief in Europe, our Commander in Chief in the Pacific, and our Commander in Chief in the Latin American area. It was felt that control had become too much centralized in Washington.

The Draper Committee also felt that too much time elapses between the day when the Congress passes the military assistance appropriation and the day when the money gets into the hands of the man in the executive branch who is to use it. The considerable number of Government agencies which have a legitimate say in how and where we shall use the military assistance tends to slow things down. Nevertheless, spurred by the Draper Committee, much improvement has been made already, and I believe there is good ground for hope that next year we may put the money to work within the time limits the Committee recommended.

And last, the Defense Department adopted the Draper Committee recommendation that there should be in the Defense Department a Director of Military Assistance who would have full responsibility for the operation of the program. That position, as it turned out, fell upon me, and here I am.

Management of Military Assistance Program

Taking all these measures together, they obviously effect a major change in the whole management of the military assistance program. I have just moved in this month, but of course like any U.S. general I have had a good deal to do with military assistance in many earlier assignments.

We embarked on this program 10 years ago in a time of extreme danger and urgency, and like all emergency programs, in the early years it had to be executed before it could be well planned.

During these 10 years thousands of dedicated people have worked their hearts out to make the program work in spite of all handicaps. Perhaps the most characteristic difficulty has been countries' offering to raise forces beyond their actual capacity to raise and take on modern weapons and equipment far beyond their actual capability in technical and mechanical skills while neither they, nor we on the American side, knew—or could know without years of investigation—what they really could handle. The world would not wait for us to spend those years investigating. The program had to proceed anyhow. Nobody has been more aware of these problems than the people who were sweating to make the program work. I have seen their efforts, and I take off my hat to them.

There has been a steady improvement in the management; I have been in Europe during the past 3 years and noted a great improvement during that time. And when Mr. Draper came over to explain the task of his Committee and what help they would want from us over there, I thought it was the most timely thing I had ever seen. There had been a lot of self-improvement, and it was now time for suggestions from some distinguished outsiders.

As I have reported to you, the Committee found the military assistance idea entirely sound and more than that—essential. They supported and recommended continuance of the level of spending in recent years and made some excellent suggestions which the Defense Department has moved promptly to put in effect.

Need for an Informed Public

There remains one area which greatly disturbed the Draper Committee. In their very first report they recommended "that every effort be made within the legislative and executive branches of the Government to bring clearly before the American people the relationship between the Mutual Security Program and the national interest. . . ."

And in their final report they said:

> Now, after much further study, we re-emphasize the importance of this effort.
>
> The average American citizen does not now relate his own security to the effectiveness of the military and economic assistance programs. . . . He is often unable to acquire a personal *feel* of the intensity of the cold war—of the deadly seriousness and growing strength of the Soviet threat. It is essential to bridge this gap of understanding.

They urged a major, sustained effort to make available to the public all the facts about the program and "that unjustified attacks upon the pro

gram be answered publicly, promptly and forcefully."

You ladies and the 15 patriotic organizations you represent could undertake no greater service at this time, could make no greater contribution to the security of our country, than by undertaking to spread the facts on this program and convince the public that this program should be fully supported by annual appropriations. Make them understand that the military assistance appropriations are a part of the cost of our national security just as much as the Army, Navy, and Air Force funds. Make them realize that this program is designed to protect the future of your children and your children's children. I beg you to consider how your organizations can tackle this job and then go home and get them behind it. You ladies have the strength to shake the world, and if you use it for this cause you will have served the Republic well.

Cleveland's Role in International Cultural Relations

by Robert H. Thayer[1]

The subject of my speech today is Cleveland's role in international cultural relations. I should think that you would feel it pretty presumptuous for anyone not a citizen of Cleveland to come here and talk about Cleveland's role in anything. "A typical U.S. Government attitude," I can hear some of you say. But let me reassure you right now I have not come to Cleveland to tell you what your role is or is not or ought or ought not to be. I have come to tell you that we in the United States Government believe that what Cleveland is doing in the field of international cultural relations is one of the finest examples in the entire United States of this new exacting movement that has challenged the imagination of the American people—a movement to build mutual understanding through the relation of people to people. The Cleveland International Program is pioneering in a field that can make a greater contribution to lasting peace than any other activity today; and I have come here on behalf of the Department of State to thank all of you who are engaged in this work and to congratulate you, Mr. Mayor, and the city of Cleveland on being such public-spirited citizens.

The city of Cleveland has an outstanding reputation at the State Department for its work in the promotion of community participation in foreign affairs and in the Bureau of International Cultural Relations, which I have the honor of heading. People like Katherine Bang, Henry Ollendorff, and Elizabeth Brown are considered regular members of our team. The Department of State is proud to be associated with the Cleveland International Program as it prepares for a fifth year of operation. I want to hear about Cleveland's role as an example which, I feel sure, will be followed by every city in the United States.

This international program of yours and its increasing success and rapid growth is proof positive that in this jet age today international diplomacy is not the province of government alone; it is the responsibility of every single citizen. The old forms of diplomacy, the relations of government to government, are not alone adequate today to assure the kind of peace that is worth having—peace with justice and freedom and dignity

[1] Address made before the Cleveland International Program for Youth Leaders and Social Workers, Inc., at Cleveland, Ohio, on Feb. 3 (press release 50). Mr. Thayer is Special Assistant to the Secretary of State for the Coordination of International Educational and Cultural Relations.

for the individual. They must be reinforced by what I call cultural diplomacy—the relations of people to people. Cleveland's program represents a model in the field of cultural diplomacy.

Importance of People-to-People Relations

Why are these relations between people and people, the people of distant lands and the American people, so important today? One answer to this question was well expressed to me by a high official in the Government of the United Arab Republic in Cairo last April. He pointed out that war has been for centuries a common way of settling serious disputes. But today war is self-destructive and unthinkable. Disputes must be arrested before they become violent enough to lead to war, and there is no greater arresting force to violence than mutual understanding. No matter how much you may disagree with someone, or even dislike someone, if you understand him or her, it becomes much easier to reach a modus vivendi. So mutual understanding and relations of people to people are the surest way to mold the cultural understanding which is essential as a force to maintain peace.

But there is another reason for the importance of mutual understanding between the American people and the people of other lands: The people of Africa and Asia are moving forward to take their places in the sun. They are forming new nations and in so doing are meeting the same difficult problems we faced as a new nation less than 200 years ago. They are seeking as did we to develop their lands in peace. We have much to contribute to this development, particularly in helping them achieve peace with freedom and justice and dignity for the individual, but the peoples of these countries are not going to blindly follow our example unless first there can be established between us mutual understanding.

What is mutual understanding? I can tell you what it is not. It is not trying to impose the American way of life on other peoples; it is not trying to make them into Americans; it is not ignoring or thinking queer their customs, their background, their way of thinking and of expressing themselves because they are not like ours. I think Mrs. Katherine Bang expressed the reasoning of mutual understanding as well as it can be expressed in a statement she made 2 years ago to the Cleveland *Plain Dealer*. Discussing the World Affairs Council's hospitality program for foreign visitors, she said: "We hope our visitor from abroad will like what he sees of our country, but we are not trying to indoctrinate or make him into an American. We want him to go back home with a sympathetic understanding of our ways and national ideals."

It is the Government's hope that this "sympathetic understanding" of which Mrs. Bang spoke will someday be mutual and widespread. Without it no amount of traditional diplomacy, economic assistance, or military maneuver will suffice to eradicate the prejudice, ignorance, and fear that inhibit the natural desires of people to live in peace and cooperate for the benefit of mankind. The task of developing sympathetic understanding and building confidence is not something that can be legislated by Congress or negotiated by the Department of State. This is truly a process that starts in the hearts and minds of men. The development of understanding between peoples must begin at the grassroots or else international exchange programs are only an empty gesture.

This is certainly an era of revolution and massive change in all phases of human endeavor. While the Western nations cope with the complexities of political and economic interdependence, Africa and Asia are giving birth to new sovereign nations; the menace of international communism hovers over millions of people in the Soviet bloc. Events of the next 10 years will test this country's honored traditions far more than they have been tested during the past 18 years. At the same time we will find it necessary to discard inadequate and obsolete methods to meet the unprecedented challenges of a world in ferment.

Make a quick survey of international affairs today and I think you will agree that complacency and lack of imagination are two of our greatest potential dangers. The United States is in a position of dynamic world leadership. How successfully that leadership will be exercised depends upon a number of factors—our military alertness, our economic vitality, our ability to guide three quarters of the earth's peoples into an industrial age. All of these factors combine to measure a nation's strength—or lack of it. But one more vital ingredient is needed to turn that prescription for strength into one for effective leadership

solid dose of compassion for the values, aspira-ions, cultural achievements, and tribulations of he people of other lands who refuse, and right-ully so, to be mere statistics in a geography extbook.

Call it "sympathetic understanding" or "mutual nderstanding" or "cultural diplomacy." They ll mean the same thing—a conscious desire to go ore than halfway to meet the other fellow on is home ground and listen to what he has to say nd appreciate what his culture has to offer. I ubmit that this is one of the most difficult tasks or a people to accomplish in a world that is ac-ustomed to the harshness of national isolation nd economic degradation. It is a task that de-ands an effort far greater than the production of ore steel or the building of bigger rockets. It is job that can be done only if we divest ourselves f a conditioned antipathy toward peoples who ook, act, and think differently than we. It is a oal toward which shortsightedness and feelings f superiority can effectively bar our path. It equires a quality that I am afraid we Americans re sometimes somewhat short of, perhaps because ur struggles to build a great nation discouraged s growth; it is the quality of humility.

I do not feel the need to convince any of you ere this afternoon of the importance of having e American people identify themselves with the rivings of their brothers in the family of man. am sure that you would not be associated with e Cleveland International Program if you ought otherwise. And I think you are all aware f the importance which your Government at-ches to this aspect of international living today. ndeed, even the diehard traditionalists in Gov-nment are beginning to realize that world leader-ip without mutual understanding between eoples is no leadership at all. The creation of e position that I hold is evidence of the interest the Government in cultural relations.

overnment and Cultural Relations

Let me tell you about what the Government is oing in the field of international cultural rela-ons. Much of this will be known already to you re today, active as you are in this field, but I n constantly amazed by the number of people ho apparently do not appreciate all that the overnment is doing.

The International Educational Exchange Program, which most people know through such familiar terms as Fulbright and Smith-Mundt scholarships, has sponsored more than 70,000 exchanges of students, teachers, professors, leaders, and specialists between the United States and 100 countries of the world. The alumni of this program are the leaders and future leaders of the free world, the people who are in a position to disseminate the facts of international life to millions of their compatriots.

Under the President's Special International Program for Cultural Presentations, American orchestras, theatrical troupes, jazz combos, dance groups, and athletic teams are assisted in traveling and appearing abroad. Attractions like the Cleveland Symphony Orchestra, the San Francisco Ballet, the Benny Goodman Sextet, and the Westminster Singers have appeared on every continent to help dispel widespread misconception abroad that the American people are preoccupied with material objectives. Furthermore, we are conducting a survey in certain areas of the world of how we can broaden the base of our audiences and reach some of the people at the grassroots as well as the more sophisticated audiences in the big cities. We want very much to send some of our imaginative young nonprofessional talent abroad and give them a chance by spending a larger time at each place to make a greater impression on the local population through personal contact, lectures, and seminars.

During the past 2 years we have been able to open the first of what we hope will be a growing number of channels of communication between the American and Soviet peoples. The epic-making cultural, technical, and educational exchange agreement between the United States and the Soviet Union of January 1958 has recently been extended for another 2 years,[2] with arrangements for increased exchanges of students, professors, and experts in various fields.

We have also noticed with a great deal of satisfaction that our participation in the programs of the United Nations Educational, Scientific and Cultural Organization is bringing an awareness of other cultures to the many thousands of American citizens who cooperate with the United States National Commission for UNESCO.

[2] For text of an agreement signed at Washington, D.C., on Nov. 24, 1959, see BULLETIN of Dec. 28, 1959, p. 951.

Through the steadfast and able work of the United States Information Agency, millions of foreign citizens are able to buy inexpensive American books which are translated into their own languages; thousands of foreign educational institutions receive American textbooks and teaching materials; 200,000 foreign students in 55 countries receive instruction in the English language each year; and American reading rooms and libraries are open for business in a majority of the world's major cities.

Through the technical assistance programs of the International Cooperation Administration, about 8,000 foreign citizens come to the United States for technical training each year and more than 3,500 American technicians go abroad to teach the skills other people need to grow more food, build better tools, and maintain their health. These people are engaged in cultural interchange as much as the students, teachers, and professors who take part in educational exchange programs.

The same situation exists for the foreign citizens who come to the United States and the American citizens who go abroad under the military assistance programs of the Department of Defense or the fellowship programs of the National Academy of Sciences and the research programs of the National Institutes of Health. In all, 15 Government agencies conduct programs that involve the movement of persons, cultural materials, and ideas between the United States and other countries.

It was the recognition by the Department of State and the administration of the need to find a common focus for this vast proliferation of programs with an impact on our cultural relations that led to the creation of the position I now hold. I have not been assigned to coordinate the international cultural relations activities of the United States Government in order to create a new bureaucratic hierarchy. My primary job involves keeping other policymakers informed about trends and activities and underscoring common objectives in the area of foreign affairs and pointing out gaps that need filling and increasing overlaps in our cultural effort.

During my first 12 months in office I feel we have made a great deal of headway in persuading many responsible officials to include in their planning a long-range view of what we are trying to achieve in the field of cultural relations. Representatives of different agencies are talking to eac other more often these days about such commo subjects of interest as the development of educa tional systems abroad; the teaching of English a a foreign language; and the orientation of ex change grantees to ease the changeover from on society to another.

Private Enterprise and Cultural Relations

Outside the Government the work of priva enterprise to foster international cultural ex change is far more extensive than the efforts all Government agencies combined. Organiz tions like the Carnegie Corporation, the Rock feller Foundation, and the Institute of Intern tional Education were already highly experienc when the Department of State began its first ed cational exchange programs with Latin Ameri in 1938. Missionary groups had already found hundreds of American schools in Latin Americ the Middle East, and South Asia. Service clu and professional groups, like Rotary and t American Association of University Wom had well-established international fellowsh programs.

Today American universities have an annu population of approximately 50,000 foreign st dents and educators. On many college campus the job of foreign-student adviser is a full-ti faculty position.

According to the most recent available stat tics, 184 American universities are conducting 3 international programs involving exchanges students, faculty members, and materials wi educational institutions and government agenc in 93 countries. Many of these programs a sponsored by the International Cooperation A ministration in recognition of the universit role in economic development.

More and more American institutions of high learning are including foreign travel in their cu ricula. Right here in Ohio, Oberlin College sending third-year music students to the Moz teum in Salzburg for a full 10 months of instru tion; and the Western College for Women at C ford, Ohio, has an excellent course called "T Development of World Civilizations" which cludes a summer of travel in an area of the wo that has been thoroughly studied by the parti pating students for an entire year.

Several Eastern schools have conducted junior-ear-abroad programs in Western Europe for ıany years. This year, for the first time, three ınior-year programs are being conducted in Bra-il, Peru, Costa Rica, and Chile by New York, ndiana, Kansas, and Fordham Universities with ıe assistance of the Department of State.

In addition to our universities, many hundreds f philanthropic foundations, labor unions, serv-:e clubs, professional societies, religious groups, nd civic organizations are conducting educa-onal and cultural programs with foreign coun-:ies. These include the teenage exchanges of the -H Clubs, the American Field Service teenage rogram, the professional affiliations of the Inter-merican Bar Association, and the educational rograms of the League of Women Voters. Last 'eek I spoke in Louisville to the National Con-ɜntion of Ruritan,[3] and I was told that 1,000 ırm families had opened their homes to receive ɔreign visitors.

We haven't even begun to take stock of the work ıat is being done and the money that is being ɔent in the cause of mutual understanding by hun-reds of thousands of individuals and perhaps ıousands of organizations in the United States, though we are trying to make a survey, country y country, of all that is being done. In one small ɔuntry there are 12 Government agencies and 93 :ivate agencies with programs in the field of ternational educational and cultural relations.

How, for example, does one measure the contri-ıtion made by the 200 host families of the Cleve-nd International Program? Can you say that ıese families spend a total of $10,000 for extra :oceries and recreation over a 6-week period and ɔ done with it? Or take the family of Dr. and rs. Ernst W. Erickson of Ypsilanti, Michigan. ıst year Dr. and Mrs. Erickson received Depart-ent of State grants to help set up a new library ıd teach high-school subjects in Katmandu, epal. They took their three teenage children ith them at their own expense and enrolled them local schools. In typical American teenage shion, these children had their Nepalese class-ates coming to their home after school. They ıve social dancing lessons which became so pop-ar that the students were soon being accompanied y their parents and relatives. The Ericksons were finally forced to set up a Friday night dancing class to control the demand. How do we measure the contributions of this family? Certainly not in dollars and cents.

[3] *Ibid.*, Feb. 15, 1960, p. 240.

Receiving Foreign Visitors as Individuals

I think you will certainly agree after this recitation that cultural diplomacy is on its way, but let me emphasize something of very great importance. You in Cleveland are using the greatest care in the selection of those who come here from abroad and of the Americans who go overseas. You are taking foreign visitors into your homes, and you are making certain that they are receiving the closest possible attention while they are in this country. Both of these factors are of vital importance. We must guard against the American propensity to do things on a mass basis. We must be certain that private organizations and institutions, and particularly the Government, in their enthusiasm for carrying on this vitally important activity of cultural diplomacy do not forget that the visitors from abroad do not want a canned trip around the United States. They want to live in American homes and have time to themselves to find the flavor of American life in their own way. We must give more careful thought to our visitors as individuals; we must take care lest in our enthusiasm we unintentionally turn our visitors from other lands into an assembly line. I think that this type of partnership between private and public effort that exists today between the Cleveland International Program and the Department of State is one of the greatest safeguards against this danger.

And above all we must not forget the all-important task of preparing the generations to come in our own country for the task of living in a world where their next-door neighbor is not from Cleveland but from Kabul, or Cairo, or Karachi. Our children and grandchildren must be taught at least one if not two languages other than their own and taught early enough in elementary and secondary schools so that they can speak fluently. They must learn to communicate rather than study the language as a language. They must be taught to understand the peoples of other countries. They must be ready to live their lives outside of their own environment. For this we must have more teachers of foreign languages and area

specialists. Are we doing enough to train these teachers and specialists? The United States of America is living in a world community; in this world community there is as much pioneering to be done as there was in the early days of the founding of this great land of ours. I am told that juvenile delinquency has increased because there is not a sufficient challenge to the youth of today to give them the physical and spiritual fulfillment that growing minds and bodies require. But I submit to you that the fault lies not in the environment of modern American life today nor in the nature of young America. It lies in the lack of imagination in those responsible for the bringing up of our youth, in the lack of vision to see the great tasks that lie ahead, in the lack of a sense of international responsibility to help guide the great masses of the peoples of the new nations of the world to a life of freedom and justice and to help guard them from the force of evil in the shape of international communism.

You in the city of Cleveland have shown that you have that imagination, that vision, and that sense of responsibility. Don't keep it to yourself. The role of Cleveland in international cultural relations goes far beyond Cleveland. It can by example be used to enlist similar activity by every city and town not only of Ohio but of the other 49 States of the Union.

And finally may I emphasize that you private citizens are the ones who can succeed in establishing mutual understanding between the people of America and the people of the rest of the world. We in Government stand ready to help you and to serve in this effort; but you are the people, and cultural diplomacy is a peoples' program. And only through this program lies the certainty of lasting peace.

I speak for my children and my grandchildren and those who come after them when I say, may God be with you and give your efforts continued success.

Chinese Art Exhibit To Tour United States

Press release 61 dated February 12

The Department of State announced on February 12 that a comprehensive exhibition of Chinese art will be shown in the United States in 1961–62. The exhibition will consist of selected masterpieces from the National Palace Museum (for merly in Peiping) and the National Central Mu seum (formerly in Nanking). They will be sen to this country by the Government of the Republi of China, which has preserved the art treasure in Taiwan (Formosa) since evacuation from th Chinese mainland.

The exhibition is scheduled to open about Jun 1, 1961, at the National Gallery of Art. Follow ing its showing in Washington, the exhibition wi go to the Metropolitan Museum of Art, Ne York; the Museum of Fine Arts, Boston; the A Institute of Chicago; and the M. H. De Youn Memorial Museum, San Francisco.

An agreement covering the arrangements f the exhibition was initialed on February 12 b Ambassador George K. C. Yeh of the Republ of China and Huntington Cairns, Secretar Treasurer and General Counsel of the Nation Gallery of Art.

The exhibition will include approximately 1 rare paintings as well as examples of calligraph pottery and porcelain, bronzes, jades, and lacque from prehistoric times to the 19th century. Th will be the most important exhibition of Chine art ever to be held in the United States.

The works of art in the exhibition are the pro erty of the Government of the Republic of Chi and will be returned to Taiwan at the conclusi of the exhibition in 1962.

NATO Science Fellowship Program for 1960 Announced

Press release 55 dated February 11

The Department of State and the Natior Science Foundation announced on February 11 t 1960 program of North Atlantic Treaty Organiz tion fellowships in science. Approximately 40 these fellowships, which are designed to encoura further study in the sciences abroad, will awarded to citizens of the United States who ha demonstrated ability and special aptitude for a vanced training in the sciences and who, by t beginning of the fellowship, will have earned doctoral degree in one of the fields of scier listed below or who have had research traini and experience equivalent to that represented the doctoral degree. Awards will be made in t mathematical, physical, and engineering scienc

medical and biological sciences, including anthropology and psychology (excluding clinical psychology); and in certain social sciences. Included, as well, are interdisciplinary fields which overlap two or more scientific disciplines.

In view of the sponsorship and objectives of the program it is expected that recipients of awards will, in nearly all cases, plan to study abroad in a country that is a member of the NATO community. Other member nations of NATO are: Belgium, Canada, Denmark, France, the Federal Republic of Germany, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Turkey, and the United Kingdom; these countries also select recipients of NATO fellowships from among their own citizens. Awards to U.S. citizens are not, however, restricted to study in a NATO country, and consideration will be given to those planning study elsewhere.

Evaluation and selection of candidates will be solely on the basis of ability. Applications will be evaluated for the National Science Foundation by panels of scientists appointed by the National Academy of Sciences–National Research Council.

Stipends for NATO fellowships will be $4,500 for the full year and $3,375 for the academic year. Limited round-trip travel and dependency allowances will be provided.

Applications and detailed information may be obtained from the Fellowship Office, National Academy of Sciences–National Research Council, 2101 Constitution Ave., NW., Washington 25, D.C. Fellowship applications must be received by the NAS–NRC by April 11, 1960. Awards will be announced on May 23, 1960.

President Acts on Imports of Almonds, Clothespins, and Safety Pins

Almonds

White House press release dated February 5

The President announced on February 5 his decision on the U.S. Tariff Commission report concerning imports of almonds. The President accepted as the findings of the Tariff Commission the finding of two Commissioners that restrictions on almond imports were not warranted under section 22 of the Agricultural Adjustment Act, as amended.

The other two Commissioners participating in this case found the contrary and recommended a tariff quota of 3 million pounds with an over-quota fee of 10 cents per pound. Where, as here, the Tariff Commission is equally divided, section 330 (d) of the Tariff Act of 1930, as amended, authorizes the President to accept the findings of either group of Commissioners as the findings of the Commission.

The Commission issued its report on September 25, 1959.[1] Its investigation and report, which the President requested on July 28, 1959,[2] were made pursuant to section 22, which authorizes the limitation of imports in order to prevent material interference with Department of Agriculture price-support or marketing-order programs.

Spring Clothespins and Safety Pins

White House press release dated February 5

The President has concurred with the U.S. Tariff Commission's recent findings that no formal investigation should be instituted at this time to determine whether the tariff should be reduced on imports of spring clothespins and safety pins. The President found, with the Tariff Commission, that there is not sufficient reason at this time to reopen the escape-clause actions which resulted 2 years ago in increases in the tariffs on these items.[3] The President's decision means that the increased rates of duty established in December 1957 as the result of escape-clause actions will continue to apply without reduction or other modification.

The President's action was taken after consultation with the Trade Policy Committee. The Tariff Commission studies were made pursuant to Executive Order 10401, which requires periodic review of affirmative actions taken under the escape clause. The Commission reports on spring clothespins and safety pins, respectively, were submitted to the President on December 7 and 31, 1959.

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[1] Copies of the Commission's report may be obtained from the U.S. Tariff Commission, Washington 25, D.C.

[2] BULLETIN of Aug. 17, 1959, p. 240.

[3] *Ibid.*, Dec. 16, 1957, p. 958, and Dec. 23, 1957, p. 1009.

Aspects of U.S. Foreign Economic Policy

Statement by Edwin M. Martin
Deputy Assistant Secretary for Economic Affairs[1]

I welcome the opportunity to comment on the report on *Worldwide and Domestic Economic Problems and Their Impact on the Foreign Policy of the United States.*

The Department of State is happy to endorse what it conceives to be the five main policy conclusions of this report:

1. The importance of sustainable rates of economic growth with stable prices, both to our domestic well-being and the success of our foreign policy.

2. The continued need, in this and other matters, to recognize and allow for the increasing impact on the success of our foreign policies of decisions taken on primarily domestic economic issues.

3. The value of a continued liberal approach to our policies on trade with our friends in the free world.

4. The essential contribution to our peace and well-being which can be made by an expanded flow of public and private capital from the industrialized countries to those still struggling to reach economic maturity and independence.

5. The significance for their political aims of the recent increased capacity of the Soviets to engage in foreign aid and other economic programs in areas of special interest to them.

The goal of economic growth at home is closely related to success in assisting in securing an adequate rate of growth in the newly developing parts of the world by providing large capital resources from outside. Growth at home makes i easier for us to allocate the resources we need t devote to fostering growth abroad. It facilitate the internal adjustments we need to make to mee foreign competition without taking restrictiv measures that would hurt our friends and neigh bors as well as ourselves. It provides a growin and stable market for the countries of the fre world who depend on trade for growth. On th other hand, periodic slumps in our economi activity are hurtful not only to ourselves but par ticularly to the less developed countries whos economies are susceptible to even relatively smal declines in demand for their export product And, not unimportantly, confidence in the U.S. a a country competent to manage its own affair confidence in the dollar as a reserve currenc confidence in a free-enterprise economy as a sy tem for organizing economic activity, in sum, co fidence in the U.S. as a country worthy c emulation and leadership is affected by our abilit to maintain steady growth.

Parenthetically, one might get the impressio from the report that it is the reported high rate Soviet growth that makes stable, steady growth

[1] Made before the Senate Committee on Foreign Relations on Feb. 11 (press release 56) during a hearing on a report prepared for the committee by the Corporation for Economic and Industrial Research, Inc. For a list of other studies in this series and a statement by Wallace R. Brode, Science Adviser of the Department of State, see BULLETIN of Feb. 22, 1960, p. 271.

home important. Whether the income of the Soviet Union is growing at 3 percent or 6 percent or 9 percent is not a matter of indifference to us, since a high growth rate enables the Soviet Union more effectively to pursue policies inimical to our interests. But we are not in a competition of growth rates. Achieving steady growth without inflation was a persistent problem for us in the postwar years before we were alerted to the high growth rate of the Soviet Union, and it is a problem we would want to come to grips with even if there were no Soviet threat at all. We want a high and sustained level of economic activity to enable us to fulfill objectives of our own choosing.

How to achieve an advancing level of economic activity without inflation in the U.S. is not properly within the purview of the Department of State. We are primarily concerned with the problem of fostering economic growth abroad.

Economic Growth and Political Development

It is not necessary to dwell at any length on the importance, in political and in human terms, of accelerating economic growth in the vast underdeveloped areas of the free world. The countries of Asia, Africa, and Latin America are part of the free world, but they are not committed irrevocably to freedom. They *are* committed to economic growth. The question is whether they can achieve the economic growth they so urgently desire in an environment of freedom or whether, overwhelmed by massive problems, they turn to totalitarian rule at home and aggression abroad. Whether the free world contracts or expands, whether the U.S. is forced back on itself in a hostile world or maintains its free and open character in a world society of likeminded nations, rests in large part on the direction the less developed countries take. Today they are numerous but weak. In the years ahead they will count more heavily in the world balance. They will affect importantly the political shape of the world of the future.

It takes no special act of imagination or sympathy to grasp the human meaning of economic growth, to appreciate the tyranny that poverty and disease can exercise over man. But the relationship of economic growth to political developments is less direct and obvious. Political developments have a momentum of their own, and it would be unduly optimistic to believe that just so long as our aid is large and our trade free all will be well, or just so long as the less developed countries achieve an increase in income of 2 percent or 4 percent or 6 percent a year they will establish and maintain democratic governments and respect for international law. The relationship of economic growth to political development is not so simple as that.

But we know that there *is* a relationship. We know that frustration with backwardness and poverty is widespread in the less developed countries today. It is felt by the landless laborers who want land, by the unemployed who want jobs, by the peasants who want security of tenure and a larger share of the fruits of their labor, by students, lawyers, and journalists whose talents have outrun their opportunities. We know also that, if present moderate governments can offer their people nothing but continued stagnation, they will not long survive. Demagogs of one stripe or another will come forward to capitalize on discontent and frustration.

If, on the other hand, there *is* economic progress, if the unemployed can hope to find jobs, if the peasants can hope to acquire land, if schools are being established and health clinics organized, if local leaders in towns and villages are encouraged to undertake the small and large community improvements that hold out hope for future betterment, in a word, if opportunities are opening up, we could expect morale to be good. People are not likely to seek radical solutions in societies where morale is high because they have hope for the future, a sense of opportunity, the feeling that tomorrow will be better than today, that their children will enjoy opportunities they themselves have been denied. It does not matter that progress may seem slow in an overall statistical sense. The important thing is the direction, the trend, the sense of forward movement.

Whether the governments of the less developed countries operating within the framework of free institutions can meet the challenge of growth successfully depends in no small part on what we and our more industrialized allies do or fail to do. We cannot bestow economic growth or export it in a package. The countries concerned must establish the social and political institutions on which growth depends, must organize

and administer and inspire their own people. But our help can make a difference, perhaps a critical difference. It is, in any case, important that we try. If they fail because we have failed them, the loss will be as much ours as theirs.

Steps Being Taken To Expand Capital Outflow

As a result of its studies of this subject, the report makes suggestions for future action. We believe important steps which are in line with its approach have been and are being taken.

When it became clear that loans by the International Bank were reaching a new high level and that further resources would be needed, we proposed an increase of 100 percent in Bank subscriptions. When it became clear that the technical assistance program of the United Nations was unable to provide the systematic and sustained assistance in basic fields that was needed, especially in the survey of resources and the establishment of training institutes, we proposed the establishment of the U.N. Special Fund. We set up the DLF [Development Loan Fund] to meet the need for loan capital on more flexible terms, and we will shortly come before this committee to ask support for the establishment of an International Development Association [2] to fill the same need. We have established, together with the countries of Latin America, a regional development financing institution to provide capital for development in the Americas.[3] We proposed an increase in quotas in the International Monetary Fund to put the Fund in a better position to tide countries over temporary balance-of-payments difficulties arising from unfavorable turns of trade and other events. We are continuing to explore new ways of expanding the flow of private investment to the less developed countries.

The current outflow of capital and technical assistance from private and public sources in the free world is in the neighborhood of $6 billion. Clearly the current outflow is not enough. There are meritorious projects that would give momentum to growth that are not now being financed for lack of funds; there should be a rising curve for the period ahead. To meet this need it is, as the report notes, essential that other of the wealthier nations enlarge their role in providing capital to the less developed areas and that all of our programs be made as effective as possible in promoting sound economic expansion.

With this in mind in January in Paris, Under Secretary of State Dillon proposed that the industrialized free nations who are in a position to make significant bilateral contributions to development meet together as a development assistance group, on an informal basis but with some regularity, to have full and frank discussions on how we can do a larger, more sustained, and more effective job.[4] The development assistance group would be a consultative forum for the discussion of appropriate national measures, such as the establishment or expansion of national agencies to provide long-term development capital, and for the exchange of views and information on aid policies, procedures, and operations. The 20 nations meeting in Paris agreed to this proposal recognizing a wider interest in and responsibility for the continued economic growth of the less developed areas of the world.

At the first meeting of the development assistance group, which we hope will be held in Washington in the first half of March, we would hope to provide information on our own lending, assistance, and investment guaranty operations with the thought that our experience might be useful to others in considering their own programs. Subsequent meetings may be held in the capitals of other members of the group. Our approach will be flexible and pragmatic.

Before leaving this subject, there are several points raised by the CEIR report on which comment seems desirable.

Providing an Alternative to Soviet Aid

The first comment has to do with Soviet aid. The thrust of the report would appear to be that we must do much because the Soviets are doing much. It is important to emphasize that the Soviet Union's tardy entrance into the aid field is not the reason for our effort to promote the development of the less developed countries and the Soviet Union's exit from the aid field—should they conclude, as they might, that the cost exceeds the benefit—cannot be the occasion for any slackening of effort on our part. It is not Soviet aid, as such, that will subvert the less developed countries. Soviet aid is only one of a range of tec

[2] See p. 345.

[3] See p. 344.

[4] Bulletin of Feb. 1, 1960, p. 139.

iques that the bloc uses to make friends and nfluence people; it is not necessarily the most mportant tool in their kit. It supplements local iplomacy, the exchange of visiting dignitaries, he Russian ballet, study tours in the Soviet Jnion, the flood of books and pamphlets, the Voice f Moscow presenting the image of a benevolent ut powerful U.S.S.R. on the march in science, n industry, in military weaponry, in space exloration, the enemy of colonialism and the friend f aspiring peoples. The danger to the developng countries is less the volume of Soviet aid than t is that their own efforts, the essential foundaion of any successful program, even reinforced y external aid, may still be inadequate, that rowth will lag too far behind aspirations, and hat discontent will push extremist leaders to the ore. So long as the uncommitted countries are ware that the West shares their aspirations for conomic and social progress in freedom and inependence and is prepared to give them timely nd substantial aid, so long, that is, as they have a eal alternative to dependence on the bloc, they an resist any improper pressures that the Soviets night seek to apply.

"Growth With Consumption" Only a Slogan

The slogan "growth with consumption" that is sed in the CEIR report is, in the end, only a slo-an and, as such, of rather limited usefulness. Growth with consumption is an obviously desirble system, but the real issue is always how much f each. The temptation is always to sacrifice he savings necessary to growth in favor of conumption. The objection to the Soviet system is nore the police-state manner in which saving is orced and used for militaristic purposes than the roportion of income which goes into saving. The ess developed countries will need to plough back nto investment a substantial part of their inremental income if they are to move forward. They will have to invest in schools, in community evelopment, in health facilities, in training intitutes, in power plants, factories, and roads. But investment in these basic facilities, although ndertaken at the expense of current consumption, vill increase current opportunities and offer the romise of greater opportunities to come.

Nor does it seem possible to say at what paricular rate the less developed countries must proress so that community morale will be high. Many mathematical models have been constructed which, starting with a magic target of x percent increase in per capita income, derive the investment requirements associated with such an increase—abstracting from the economic and social environment in which growth is taking place—subtract from the requirement the local savings likely to be generated, and arrive thereby at the investment gap that must be provided by external sources. The CEIR suggests a 5 percent increase per annum in total output and an associated external capital gap of $10 billion to $15 billion a year. This overall approach is apt to prove an unrewarding exercise.

Expansion of World Trade Vital to U.S.

To turn to trade, there is not much new to be said or to be added to the report on why continued efforts to expand world trade are vital for the United States. For most countries of the free world, trade, expanding and unrestricted trade, is vital to their well-being. It is not a marginal matter. They must export to import. For the less developed countries, trade is critical. To import the industrial materials and capital equipment which they need for growth, the developing countries must find markets for their products. Typically, they are dependent on the export of a few mineral and agricultural products whose prices fluctuate widely in the world market. In the years ahead, as they begin to modernize their economies and diversify their output, they will move increasingly into fabrication of consumers goods and light industries of a labor-intensive kind, and they will seek to market these products abroad. If we are seriously concerned to promote their economic growth, we cannot put up barriers to the output of their mines and factories. The United States is too large and too critical a market to take such action without doing serious injury to its friends and to its foreign policy purposes.

Intimately related to trade policy is our balance-of-payments problem, to which the CEIR report also addresses itself. The economic report of the President [5] goes into this question in considerable depth, and there is no need to repeat what is said there. Preliminary reports suggest that our payments position has improved somewhat since the CEIR report was issued; it is expected to improve

[5] For excerpts, see *ibid.*, Feb. 22, 1960, p. 301.

a bit further in 1960. Our main reliance for closing the payments gap must be the expansion of world trade, especially United States exports. In 1959, as recommended in the report, we intensified our efforts in the GATT and the IMF and bilaterally toward this end. Partly as a result, many countries have recently taken important steps to reduce their barriers against United States exports. We expect this trend to continue. Over the long term, with steady, stable growth at home and abroad, we have good reason to expect an increasing income from our investments abroad and a large growth in United States exports, permitting us to retain world confidence in our economy and to continue to carry on those overseas programs so essential to our security and well-being.

In conclusion may I express the appreciation of the Department of State for the action of the committee in arranging for this series of reports to be prepared and published and for giving the Department this opportunity to express its views.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Under Secretary Dillon Attends Inter-American Bank Meeting

The Board of Governors of the Inter-American Development Bank held its inaugural meeting at San Salvador February 3–16.[1] *Following is a statement made by Under Secretary Dillon on February 7 upon his arrival at San Salvador and a statement made on February 11 upon his return to Washington.*

STATEMENT AT SAN SALVADOR, FEBRUARY 7

I am delighted to be here in the lovely city of San Salvador for the inaugural meeting of the Inter-American Development Bank.

This unique Bank, which represents the fulfillment of desires long held by the countries of Latin America for a development institution tailored to their special needs, should provide new impetus in spurring the forward progress of the hemisphere. My Government takes great satisfaction from its participation in a project which symbolizes the vitality and creativeness of the inter-American system.

The Bank is a concrete expression of the desire of the peoples of the Americas to pursue sound economic policies which will make a maximum contribution to development in an atmosphere of mutual trust and understanding. The great degree of flexibility and responsiveness which has been built into the Bank should lead to realistic measures designed to encourage the flow of needed public and private capital into Latin America.

It is a particular pleasure for me to visit El Salvador, a country which has consistently contributed to the unity of the Americas. I look forward to seeing President Lemus, whom I had the honor of meeting in Washington last spring and for whom I have a message of personal greeting from President Eisenhower. My presence here is also a welcome opportunity to renew acquaintance and friendship with officials of the other American Republics who are attending this auspicious meeting.

STATEMENT AT WASHINGTON, FEBRUARY 11

Press release 59 dated February 11

I have just returned from a meeting in San Salvador which marks the start of a fresh, coordinated approach to the development problems of the Western Hemisphere.

The new Inter-American Development Bank—to which the American states are contributing in proportion to their resources—has the special virtue of a development institution which is uniquely fitted to the needs of Latin America. I believe that its operations will have a very constructive influence in promoting economic growth along sound lines.

By a happy coincidence the inaugural meeting of the Bank took place at the same time that the first common-market agreement in this hemisphere was signed between El Salvador, Guatemala, and Honduras. This common market should not only serve to strengthen the trading position of participating governments but can be expected to stimulate the sort of economic climate which is needed to attract new private investment

[1] For background, see BULLETIN of Feb. 15, 1960, p. 263.

[2] *Ibid.*, Apr. 6, 1959, p. 478.

My visit to El Salvador gave me a welcome pportunity to see and talk once again with Presi- ent Lemus and to renew acquaintances with my ıany friends among the delegations to the ;ank meeting. The atmosphere which prevailed ıroughout the meeting demonstrated once again ıe strength and vitality of the inter-American ,ystem.

DA Articles of Agreement Ready ›r Acceptance by Members

The International Bank for Reconstruction and ›evelopment announced on January 31 that the rticles of agreement of the International Develop- ıent Association, the proposed new financing in- ;itution to be affiliated with the World Bank, are ;ow ready for acceptance by prospective member overnments.

By authorization of the Bank's Executive Direc- ›rs, the text of the articles of agreement, together ith a report by the Executive Directors drawing ;tention to certain features of the articles, is ›ing transmitted to the 68 member governments f the Bank. The next step will be for those gov- nments desiring to join IDA to take whatever 'gislative or other action may be required to ac- ›pt membership and to subscribe funds. The ;ticles provide that IDA will enter into force hen governments whose subscriptions aggregate ; least 65 percent of total initial subscriptions ıve accepted membership. The articles will re- ain open for signature by original members until ecember 31, 1960. The earliest date on which)A may come into being is September 15, 1960.

A preamble to the articles states the conviction : the signatory governments that mutual coopera- |on for constructive economic purposes, healthy ›velopment of the world economy, and balanced ;owth of international trade foster peace and |orld prosperity; that higher standards of living ıd economic and social progress in the less devel- ›ed countries are desirable, not only in the inter- ts of those countries but also for the ıternational community as a whole; and that ;hievement of these objectives would be facili- ted by an increase in the international flow of ›pital, public and private, to assist in the develop- ent of the resources of the less developed ›untries.

The main features of IDA, as proposed, are as follows:

Purposes

The purposes of IDA are defined:

> . . . to promote economic development, increase productivity and thus raise standards of living in the less developed areas of the world included within the Association's membership, in particular by providing finance to meet their important developmental requirements on terms which are more flexible and bear less heavily on the balance of payments than those of conventional loans, thereby furthering the developmental objectives of the International Bank for Reconstruction and Development (hereinafter called "the Bank") and supplementing its activities.

Membership and Initial Subscriptions

Membership of IDA is to be open to member countries of the Bank.

The initial resources proposed for IDA total $1 billion, an amount which will be obtained if all existing member countries of the Bank join IDA and thereby accept the subscriptions assigned to them. IDA subscriptions are to be roughly proportionate to subscriptions to the Bank's capital and will be payable over a 5-year period.

A unique feature of IDA is that member countries have been divided into two groups for purposes of subscription of funds. The 17 more industrialized member countries of the Bank will pay their subscriptions in gold or freely convertible currencies, whereas the 51 less developed member countries will pay 10 percent of their subscriptions in gold or freely convertible currencies and 90 percent in their national currencies, which IDA will not be free to convert into other currencies or to use to finance exports from the country concerned without its consent.

Resources and Use of Currencies

IDA is to keep the adequacy of its resources under regular review. It is contemplated that the first review would take place during the first 5-year period and subsequent reviews at intervals of approximately 5 years thereafter. General or individual increases in subscriptions may be authorized at any time.

IDA may also enter into arrangements to receive from any member, in addition to its own subscription, supplementary resources in the currency of another member provided that the member whose

currency is involved does not object. For example, the United States has indicated that it might offer to IDA some of its holdings of foreign currencies arising through sales of surplus commodities under Public Law 480. The provision of such supplementary resources would not entitle the subscribing member to any additional voting rights.

Organization and Management

The structure of IDA is adapted to administration by the Bank. Thus IDA is to have a Board of Governors, Executive Directors, and a President, all of whom will be the holders of those positions in the Bank, serving *ex officio* in IDA.

Other articles contain detailed provision for such matters as withdrawal or suspension of membership; status, immunities, and privileges; amendments; interpretation and arbitration; and signature and entry into force.

TREATY INFORMATION

Current Actions

MULTILATERAL

Agriculture

Protocol of amendment to the convention on the Inter-American Institute of Agricultural Sciences of January 15, 1944 (58 Stat. 1169). Opened for signature at Washington December 1, 1958.[1]
Signature: Honduras, February 10, 1960.

Cultural Relations

Agreement for facilitating the international circulation of visual and auditory materials of an educational, scientific, and cultural character, and protocol. Done at Lake Success July 15, 1949. Entered into force August 12, 1954.[2]
Acceptance deposited: Iran, December 30, 1959.

Narcotics

Protocol bringing under international control drugs outside the scope of the convention limiting the manufacture and regulating the distribution of narcotic drugs concluded at Geneva July 13, 1931 (48 Stat. 1543), as amended (61 Stat. 2230; 62 Stat. 1796). Done at Paris November 19, 1948. Entered into force December 1, 1949. TIAS 2308.
Acceptance deposited: El Salvador, December 31, 1959.

Protocol for limiting and regulating the cultivation o the poppy plant, the production of, international an wholesale trade in, and use of opium. Dated at Ne York June 23, 1953.[1]
Ratification deposited: Iran, December 30, 1959.
Accession deposited: El Salvador, December 31, 1959.

Telecommunication

Telegraph regulations (Geneva revision, 1958) annexe to the international telecommunication convention o December 22, 1952 (TIAS 3266), with appendixes an final protocol. Done at Geneva November 29, 195 Entered into force January 1, 1960. TIAS 4390.
Notifications of approval: Yugoslavia, October 16, 1959 India, December 22, 1959; Belgium (with reserva tions), December 23, 1959; Union of South Afric and Territory of South-West Africa, December 2 1959.

Trade and Commerce

Declaration on relations between contracting parties t the General Agreement on Tariffs and Trade and th Government of the Federal People's Republic of Yug slavia. Done at Geneva May 25, 1959. Entered int force November 16, 1959; for the United States Noven ber 19, 1959. TIAS 4385.
Signatures: Brazil, November 9, 1959; Australia, Ja uary 11, 1960.

BILATERAL

Indonesia

Agreement amending the agricultural commodities agre ment of May 29, 1959 (TIAS 4248). Effected by e change of notes at Djakarta November 18, 195 Entered into force November 18, 1959.

Israel

Agreement amending the agreement for cooperation co cerning civil uses of atomic energy of July 12, 19 (TIAS 3311). Signed at Washington August 20, 195
Entered into force: January 28, 1960.

Italy

Agreement amending the agreement of April 27, 1954, f the loan of two U.S. submarines to Italy (TIAS 3124 Effected by exchange of notes at Rome January 2 1960. Entered into force January 29, 1960.

Korea

Agreement for the loan of an additional U.S. naval vess to Korea. Effected by exchange of notes at Seo October 22, 1959, and January 29, 1960. Entered in force January 29, 1960.

Venezuela

Research and power reactor agreement concerning ci uses of atomic energy. Signed at Washington October 1958.
Entered into force: February 9, 1960.

Research reactor agreement for cooperation concerni civil uses of atomic energy. Signed at Washingt July 21, 1955. TIAS 3323.
Terminated: February 9, 1960 (superseded by agre ment of October 8, 1958, *supra*).

Yemen

General agreement for economic, technical, and relat assistance to Yemen. Effected by exchange of no at Taiz August 3 and 5, October 18, and November 1959. Entered into force November 8, 1959.

[1] Not in force.
[2] Not in force for the United States.

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*52	2/8	Educational exchange (Latin America).
53	2/8	Herter: news conference.
*54	2/9	Achilles nominated Counselor (biographic details).
55	2/11	1960 NATO science fellowship program.
56	2/11	Martin: "Aspects of U.S. Foreign Economic Policy."
†57	2/11	Supplemental P.L. 480 agreement with Poland.
†58	2/11	Appointments to Department's science program (rewrite).
59	2/11	Dillon: statement on return from Inter-American Bank meeting.
*60	2/12	Fossum designated Director, USOM, Colombia (biographic details).
61	2/12	Chinese art exhibit tour.
62	2/12	Dillon: Union League Club of Philadelphia.
*63	2/12	Hepler receives ICA award (biographic details).

*Not printed.
†Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

Bulletin

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The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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trengthening Friendship and Trust among the American Republics

Address by President Eisenhower[1]

My friends: Early tomorrow I start a journey several of our Latin American neighbors, with ree major purposes in mind. These are: to learn ore about our friends to the south; to assure em again that the United States seeks to co-erate with them in achieving a fuller life for eryone in this hemisphere; and to make clear our sire to work closely with them in the building a universal peace with justice.

Our interest in our sister republics is of long nding and of deep affection. This, in itself, is ason sufficient for the journey. But in these ys of world tension, of awakening ambitions, d of problems caused by the growing inter-pendence of nations, it is vital for national part-rs to develop better understandings and to prove common programs.

The bonds among our American Republics are t merely geographic; rather they are shared inciples and convictions. Together we believe God, in the dignity and rights of man, in peace th justice, and in the right of every people to de-mine its own destiny. In such beliefs our endship is rooted.

Yet even among close comrades friendships too ten seem to be taken for granted. We must not ve our neighbors of Latin America cause to be-ve this about us.

So I shall reaffirm to our sister republics that we steadfast in our purpose to work with them hand in hand in promoting the security and well-being of all peoples of this hemisphere.

To do so calls for a sustained effort that is, unfortunately, sometimes impeded by misunder-standings.

One such misunderstanding, at times voiced in Latin America, is that we have been so preoccu-pied with the menace of Communist imperialism and resulting problems of defense that we have tended to forget our southern neighbors. Some have implied that our attention has been so much directed to security for ourselves, and to prob-lems across the oceans to the west and east, that we neglect cooperation and progress within this hemisphere.

It is true that we have given first priority to worldwide measures for security against the pos-sibility of military aggression. We have made many sacrifices to assure that this security is and will be maintained.

But I hope to make clear on my journey that our military programs at home and abroad have been designed for one purpose only—the mainte-nance of peace, as important to Latin America as to us.

That there is need for these programs, postwar history clearly proves.

For the first 5 years following World War II, we in the United States, hopeful of a global and durable peace, pursued a policy of virtual dis-armament. But the blockade of Berlin, the mili-tary weakness of our European friends living face to face with the Communist menace, and finally the Korean war—together with arrogant threats against other peaceful nations—belatedly made it

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[1] Delivered to the Nation by television and radio on Feb. (White House press release; as delivered). President enhower left Washington on Feb. 22 for a 2-week trip Latin America with stops in Puerto Rico, Brazil, Argen-a, Chile, and Uruguay.

clear to us that only under an umbrella of military strength could free nations hope to make progress toward an enduring and just peace. World uneasiness rose to the point of alarm.

Developing Deterrent Strength

Since then our Nation has developed great arsenals of powerful weapons to sustain the peace. We have created a great deterrent strength—so powerful as to command and justify the respect of knowledgeable and unbiased observers here at home and abroad.

Our many hundreds of Air Force bombers deployed the world over—each capable of unleashing a frightful destruction—constitute a force far superior to any other, in numbers, in quality, and in strategic location of bases. We have, in addition, a powerful nuclear force in our aircraft carriers and in our host of widely deployed tactical aircraft. Adding constantly to these forces are advanced types of missiles steadily augmenting the armaments of all ground and other military units.

As for longer range ballistic missiles, from a standing start only 5 years ago we have literally leaped forward in accomplishments no less than remarkable. Our Atlas missile, already amazingly accurate, became operational last year. Missiles of intermediate range are in forward bases. The first Polaris missile submarine—an almost invulnerable weapon—will soon be at sea. New generations of long-range missiles are under urgent development.

Collectively, this is a force not unduly dependent upon any one weapon or any one service, not subject to elimination by sudden attack, buttressed by an industrial system unmatched on this earth, and unhesitatingly supported by a vigorous people determined to remain free. Strategically, that force is far better situated than any force that could be brought to bear against us.

As we have strengthened these defenses, we have helped to bolster our own and free-world security by assisting in arming 42 other nations—our associates in the defense of the free world. Our part in this indispensable effort is our Mutual Security Program. It makes possible a forward strategy of defense for the greater security of all, including our neighbors to the south.

I am certain that our Latin American neig bors, as well as you here at home, understand t significance of all these facts.

We have forged a trustworthy shield of peace an indestructible force of incalculable pow ample for today and constantly developing meet the needs of tomorrow. Today, in the pr ence of continuous threat, all of us can sta resolute and unafraid—confident in Americ might as an anchor of free-world security.

Working for Progress in Western Hemisphere

But we all recognize that peace and freedo cannot be forever sustained by weapons alo There must be a free-world spirit and mora based upon the conviction that, for free m life comprehends more than mere survival a bare security. Peoples everywhere must ha opportunity to better themselves spiritually, int lectually, economically.

We earnestly seek to help our neighbors in t hemisphere achieve the progress they righ desire.

We have sought to strengthen the Organi tion of American States and other cooperat groups which promote hemispheric progress a solidarity.

We have invested heavily in Latin Americ enterprise.

New credits, both public and private, are bei made available in greater volume than ever fore. Last year these approximated $1 billi Our outstanding loans and investments in La America now exceed $11 billion.

With our sister republics, we have just est lished the Inter-American Development Ba With them we hope this new billion-dollar insti tion will do much to accelerate economic grow

Additionally, we have expanded technical operation programs throughout the Americas

To improve our own knowledge of our nei bors' needs, we recently established a distinguis panel of private citizens under the chairmans of the Secretary of State.[2] This National Ad sory Committee will, by continuous study of int American affairs, help us at home better to operate with our Latin American friends. Me bers of this Committee will accompany me on journey tomorrow.

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[2] BULLETIN of Dec. 7, 1959, p. 823, and Dec. 21, 19 p. 904.

This will be a busy trip, for our neighbors' roblems are many and vexing—the lack of de- lopment capital, wide fluctuations in the prices their export commodities, the need for com- on regional markets to foster efficiency and to tract new credits, the need to improve health, lucation, housing, and transportation.

All these are certain to be subjects of discussion each of the countries I visit.

sis of U.S.-Latin American Relationships

And wherever I go I shall state again and again e basic principles and attitudes that govern our untry's relationships in this hemisphere. For ample:

Our good-partner policy is a permanent guide, compassing nonintervention, mutual respect, d juridical equality of states.

We wish, for every American nation, a rapid onomic progress, with its blessings reaching all e people.

We are always eager to cooperate in fostering und development within the limits of practical pabilities; further, we shall continue to urge ery nation to join in help to the less fortunate.

We stand firmly by our pledge to help main- in the security of the Americas under the Rio reaty of 1947.

We declare our faith in the rule of law, our termination to abide by treaty commitments, d our insistence that other nations do likewise.

We will do all we can to foster the triumph of man liberty throughout the hemisphere.

We condemn all efforts to undermine the demo- atic institutions of the Americas through coer- on or subversion, and we abhor the use of the and distortion in relations among nations.

licy of Nonintervention

Very recently, in a faraway country that has ver known freedom—one which today holds mil- ons of humans in subjugation—impassioned nguage has been used to assert that the United ates has held Latin America in a colonial rela- onship to ourselves.

That is a blatant falsehood.

In all history no nation has had a more honorable record in its dealings with other countries than has the United States.

The Philippines are independent today—by their own choice.

Alaska and Hawaii are now proud partners in our federated, democratic enterprise—by their own choice.

Puerto Rico is a commonwealth within the United States system—by its own choice.

After the two world wars and the Korean war, the United States did not annex a single additional acre, and it has sought no advantage of any kind at the expense of another.

And in all of Latin America, I repeat, we adhere honorably and persistently to the policy of nonintervention.

It is nonsense to charge that we hold—or that we desire to hold—any nation in colonial status.

These are but a few of the matters that friends in this hemisphere need to talk about. I look forward with the keenest pleasure to exchanging views with the Presidents of Brazil, Argentina, Chile, and Uruguay and with their colleagues.

It is my profound hope that upon my return I shall be able to report to you that the historic friendship and trust among the nations of this hemisphere have been strengthened and that our common cause—justice and peace in freedom—has been reaffirmed and given new life.

Good evening, and to my Latin American friends, *buenas tardes.*

Letters of Credence

Bolivia

The newly appointed Ambassador of Bolivia, Victor Andrade, presented his credentials to President Eisenhower on February 15. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 64 dated February 15.

Uruguay

The newly appointed Ambassador of Uruguay, Carlos A. Clulow, presented his credentials to President Eisenhower on February 16. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 66 dated February 16.

National Security With Arms Limitation

ADDRESS BY SECRETARY HERTER[1]

Press release 73 dated February 18

I. Introduction

I would like to talk today about a very important element of American foreign policy—our search for safeguarded arms limitations and progress toward general disarmament. As you know, we are about to make a new effort in the Ten-Nation Disarmament Committee that will meet in Geneva about the middle of March.[2]

This effort is designed not only to strengthen international peace and avoid wasteful use of the world's resources but also to promote our national security, in the real sense of that term. It complements the national military programs and collective security arrangements that we carry out to this same end.

America's deep commitment to a policy of arms limitation and disarmament is of long standing.

In 1946, just after the war's end, when the U.S. still had a complete monopoly of atomic weapons, we proposed full international control of atomic energy. In what must surely stand as one of the tragic turning points of human history, the Soviet Government turned down this extraordinary proposal.

In 1953, as part of President Eisenhower's great atoms-for-peace proposal, the Soviet Union was urged to make with us a start in siphoning off nuclear weapons materials into international control. Although an International Atomic Energy Agency was created, the Soviets have refused to fulfill the original intent of this proposal as a means of reducing nuclear weapons stockpiles.

In 1955 President Eisenhower proposed at t Geneva summit that the United States and t Soviet Union accept mutual aerial inspectio Again the Soviets held back; their secrecy was "must."

In March 1956 President Eisenhower wro Bulganin proposing an inspected cessation of production of fissionable materials for weapo purposes, and gradual contributions of such m terials from national weapons stockpiles to int national control. This proposal fell on deaf ea

The United States and its allies then work out a series of partial arms limitation measur including safeguards against surprise attack, c sation of production of fissionable materials f weapons purposes, restraints on the transfer nuclear weapons to other states, reductions of c ventional forces, and steps to assure peaceful u of outer space. These measures were proposed the U.S.S.R. in August 1957 at London. Aga the Soviets showed little serious interest and t talks collapsed.

Since 1957 we have tried twice to single specific limited areas for discussion with t Soviets:

First, a suspension of nuclear tests, on whi negotiations are now under way at Geneva. shall have more to say of this in a moment.

Second, technical discussions about safegua against surprise attack. These surprise-att discussions came to nothing because the Sov Union showed little interest in serious techni work that might have paved the way for later p litical discussions.

And that is where our search for arms limitat stood when it was agreed last year to set up a n Ten-Nation Committee to try again.

[1] Made before the National Press Club at Washington, D.C., on Feb. 18.

[2] For background, see BULLETIN of Sept. 28, 1959, p. 438; Dec. 21, 1959, p. 902; and Jan. 11, 1960, p. 45.

I. The Prospect

We approach these new negotiations with some ıope that the Soviet leaders may be coming to 'ealize that the arms race offers unacceptable risks. This realization could induce them to attach a ıigh priority to progress in arms control, as being n their own national interest.

This progress is the more needed because of the ıew dangers which we confront as the arms race ontinues. Let me mention two of these dangers:

First: Spiraling competition in strategic deliv- ry systems with ever shorter reaction times could ead to *war by miscalculation.* Such miscalcula- ions might, for example, cause an international risis to develop into general war without either ide really intending that this should happen.

Second: The *proliferating production of nu- lear weapons* might eventually enable almost any ountry, however irresponsible, to secure those veapons. We are not so concerned with regard to he free nations which might be the next to pro- uce nuclear weapons. But we *are* concerned lest he spread become wholly unmanageable: The nore nations that have the power to trigger off a uclear war, the greater the chance that some na- ion might use this power in haste or blind folly.

These dangers make our task urgent.

Great as are these dangers, however, they are ess than the dangers that would arise if we were o enter an unsafe arms control arrangement.

Under existing conditions, the free world de- ends on our present relative strength for its sur- ival. We are conscious of the extent and the mportance of that relative strength. We will not ompromise it out of a desire for quick but illu- ory results in arms control.

If real progress on arms control is to be made, he great weapons systems that have been built ıp during the long years of the arms race must be arefully and reciprocally reduced. This is no hort-term task.

United States *action* cannot be based alone upon nother nation's *promise.* Our deeds will only be lone in step with verifiable deeds of others. We vill insist on inspection procedures that will per- nit verification.

We will, however, gage each possible agreement ot by some abstract standard of perfection but y one practical yardstick: Would United States and free-world security be greater—or less—under the agreement than without arms agreement?

We will not enter an agreement which fails to meet this test.

III. Our Preparations

If the Soviets should wish to negotiate seriously in the Ten-Nation Committee, they will find us ready. Your Government is making intensive preparations.

We in the State Department have conducted an extensive review of the disarmament problem.

The disarmament office in the Department of Defense is being expanded, and a special group under the Joint Chiefs of Staff has been established to assist in arms control studies and negotiations.

To augment the studies continually being made for the Secretary of Defense and myself by our own staffs, a special committee under the leadership of Mr. Charles Coolidge has reviewed the arms control question.[3]

And the President's Science Advisory Committee has established a special panel for continuing study of disarmament problems under the leadership of its former chairman, Dr. [James R.] Killian [Jr.].

Mr. Fredrick Eaton, who is here with us today, will lead our delegation at Geneva; he and his staff are now developing a common approach to these negotiations with our allies in the Ten-Nation Committee: Canada, France, Italy, and the United Kingdom.

These countries share equally with us the task of preparing agreed proposals for the forthcoming negotiations. Each of them will, I am sure, make an important and distinctive contribution.

We will also consult closely with all our NATO partners and a number of other treaty friends.

We shall keep in constant consultation with the Congress.

And the United Nations will, of course, be kept fully informed.

IV. The American Purpose

Speaking generally, we will have two major goals in the forthcoming negotiations:

Urgently, to try to create a more stable military environment, which will curtail the risk of war

[3] For background, see *ibid.*, Aug. 17, 1959, p. 237.

and permit reductions in national armed forces and armaments.

Subsequently, to cut national armed forces and armaments further and to build up international peacekeeping machinery, to the point where aggression will be deterred by international rather than national force.

These two goals are equally important. I should like to discuss each of them.

V. Creating a More Stable Military Environment

A more stable military environment will require measures to control the two types of dangers of a continuing arms race to which I referred.

First, to meet the danger of miscalculation, there is need for safeguards against surprise attack.

If these safeguards are effective, there will be less chance of one side being moved to surprise attack by a mistaken belief that the military moves of the other side portend such attack. This danger may be particularly acute in a major international crisis, when tensions are high and both sides are moving to heightened readiness.

These safeguards could include zones for aerial and mobile ground inspection. In the past we have suggested such inspection in Europe, the Arctic area, and equivalent areas of North America and the U.S.S.R.

Arrangements for more selective inspection in larger regions might also be feasible. Our August 1957 proposals[4] provided that ground observers might be stationed outside, as well as inside, agreed zones of aerial and mobile ground inspection. Such observers might prove useful, during a major crisis, in helping to verify that neither side was preparing a surprise attack upon the other.

Other arrangements for exchanging information might be developed to assure against potentially dangerous misunderstandings about events in outer space.

These different kinds of measures to increase the information available to each side could, where appropriate, be complemented by controls over armaments which would also be designed to reduce the danger of miscalculation and surprise attack.

The *second* danger—that of the promiscuous spread of production of nuclear weapons—is one that we, our major allies, and the Soviet Unior should all view with real concern.

To guard against this danger, the testing o nuclear weapons and eventually the productior of fissionable material for weapons purposes mus be prohibited under effective inspection.

We are trying to take a first step to this end ir the Geneva test-suspension negotiations.

We proposed, and have as our objective, a sus pension of all nuclear tests under effective inter national controls. At present, however, there i no agreed technical basis for the establishment o effective controls over nuclear tests in the smalle yield ranges. Accordingly the President sug gested on February 11[5] that we agree on a pro hibition of those kinds of nuclear tests whicl could be controlled within the limits of presen scientific knowledge and under the limited inspec tion procedures that the Soviets seemed prepare to accept.

The U.S.S.R. has now submitted a counter proposal for a comprehensive suspension whicl may reflect a changing view of the inspection pro cedures that are acceptable to the Soviet Govern ment. We will give this proposal very carefu consideration.

An inspected suspension of nuclear tests woul be a useful step toward the goal of halting th proliferation of national nuclear weapons stock piles. To fulfill this goal, our eventual objectiv would remain the cessation of *all* production o fissionable material for nuclear weapons.

These modern measures to meet the major dan gers of a continuing arms race, and thus to main tain a stable military environment, are ver different from the efforts that were made to elimi nate certain weapons and dismantle nationa military establishments in the years between th two world wars. Arms control problems in th nuclear era are as different from the problems o a quarter century ago as those problems differe from the efforts made to ease the rigors of wa in the Middle Ages.

We cannot progress toward disarmament against the present background of a wide spectrun of complex weapons, merely by repeating or en dorsing hollow slogans such as "ban the bomb, "give up foreign bases," or "cut armed forces b one-third." One measure of the Soviets' serious

[4] For text, see *ibid.*, Sept. 16, 1957, p. 451.

[5] *Ibid.*, Feb. 29, 1960, p. 327.

ıess in the forthcoming negotiations will be their ecognition of this fact.

In the absence of arms control, the bomb, the ›ases, the forces—all respond to an urgent need or deterring aggression. The purpose of initial .rms control measures should be to permit this ıeed to be met in a way which will reduce—rather han increase—the existing risk of war.

As we thus move toward a more stable military nvironment, progressive, gradual, and balanced 'eductions in national military forces can and hould be accomplished. Manpower ceilings hould be placed on national forces and desig-.ated quantities of conventional armaments trans-erred to international custody.

'I. General Disarmament

These measures to create a stable military en-ironment would be the first stage in our approach o disarmament.

They would enhance our national security and educe the danger of war.

They would also leave our essential national reedom of action and our relative national capa-ilities unimpaired. Since large national forces vould thus still be under arms, national force—not nternational law—would still be the ultimate esort.

To assure a world of peaceful change, we should ›roject a second stage of general disarmament.)ur objective in this second stage should be wofold:

First, to create certain universally accepted rules f law which, if followed, would prevent all ations from attacking other nations. Such rules f law should be backed by a world court and by ffective means of enforcement—that is, by inter-ational armed force.

Second, to reduce national armed forces, under afeguarded and verified arrangements, to the ›oint where no single nation or group of nations ould effectively oppose this enforcement of inter-ational law by international machinery.

Unless *both* these objectives are kept firmly in iew, an agreement for general disarmament might ›ad to a world of anarchy. In the absence of ffective international peacekeeping machinery, ations might violate the disarmament agreement vith impunity and thus seek to gain a decisive eadstart in building up their armaments. More-over, since each state would be allowed to retain internal security forces, populous states would retain quite substantial forces which they might—in the absence of such peacekeeping machinery—use effectively against their smaller neighbors.

To guard against these dangers, we should, as general disarmament is approached, work toward effective international arrangements which will maintain peace and security and promote justice according to law. We are ready now to take part in appropriate studies to this end. A useful framework and a considerable body of experience already exists in the United Nations.

These studies could focus on two types of basic and needed change:

First, the strengthening and development of international instruments to prevent national aggression in a world that has been disarmed, except for internal security forces.

Second, the strengthening and development of international machinery to insure just and peaceful settlement of disputed issues in a disarmed world.

Progress along both these basic lines will be needed if the goal of general disarmament is to be fulfilled.

We need not—and *should not*—wait, however, to make a start in taking more limited measures that would have independent value in promoting the growth of institutions for keeping the peace and that would facilitate progress toward disarmament. I have in mind such actions as enhancing the usefulness of the United Nations International Law Commission and supporting Secretary-General Hammarskjold's efforts to develop standby arrangements for a United Nations Force and other forms of U.N. presence in places where there is danger of a resort to force. We plan to consult in the United Nations on a series of such specific measures.

VII. Conclusion

These, then, are the broad lines of the renewed effort which the United States Government is about to make to enhance U.S. national security through arms control and eventual general disarmament. The specific elements of that effort will, of course, have to be the product of the consultations now underway with our allies.

If this initiative is to have any chance of

success, it will need the understanding and support of the American people and Congress. We shall consult closely with the Congress and report fully to the American people at each stage.

The success of this effort will depend, in part, on what the Soviet Union conceives to be the alternative to safeguarded arms agreements. If the Soviet leaders believe that the free world is likely to disarm unilaterally, they will see little reason to enter into safeguarded agreements. Continued and effective prosecution of U.S. and other free-world military programs and of our Mutual Security Program is thus essential if we are to have any prospect of progress in arms control.

If the Soviet Union wishes to achieve such progress in an effort to find a better way than the spiraling arms race to try to maintain peace and security, it will find us responsive.

The peril that confronts every man, woman, and child in the world today is too great to admit of anything but the most strenuous, devoted, and persistent effort to this end.

QUESTION-AND-ANSWER PERIOD

Press release 75 dated February 18

There was a question-and-answer period following Secretary Herter's address. Ed Edstrom, president of the National Press Club, read the questions and the Secretary answered, as follows:

Q. The first question I have here is: Why has Russia repeatedly fought for the minimum inspection in all disarmament negotiations?

A. I think that the answer to that is comparatively simple. The Russians have a very real military advantage in the secrecy lying behind the Iron Curtain. For many, many years, as you know, they have not allowed travel in many sections of their country. They have guarded assiduously their installations of a military nature. They have let a minimum of information trickle out from the country itself.

Their great worry is that they may give up that military asset of secrecy without getting an adequate *quid pro quo*. And it is for that reason I think that they have resisted the kind of inspection that we felt was essential in a safeguarded agreement.

Q. I will just read these questions as they come up from the audience, Mr. Secretary.

It has been reported that our distinguished foreign guests have been disappointed that the United States has no disarmament plan ready. The Coolidge Committee has been working on this problem. Was this report not ready? If not, why?

A. I think there are two questions that are involved there. I will begin with the Coolidge report. That report was a study made for the benefit of the Secretary of Defense and myself and was not necessarily to have been a complete guideline in the matter of disarmament. It has been a useful instrument for us to work with.

With regard to the disappointment of our colleagues who are working together with—and in this matter I think I should probably have to ask them to speak for themselves. I don't think I have a right to speak for them. But in trying to reach an agreed position, which we are all trying to do, it is obvious that one should explore as many phases of this whole matter, both from a positive and a negative point of view, as is possible within the framework of their particular instructions and within the time that has been allowed.

I can only repeat what I indicated in my statement, that I am hopeful that before we meet the Russians we will have a satisfactory agreed position. (Applause.)

Q. Are the prospects for peace better or worse than during the September Camp David summit meeting?

A. I don't think there is any way of judging that. Mr. Khrushchev in his travels and in his speeches since the Camp David meeting has been speaking softly in one respect—namely, his confidence that we can reach agreement in the disarmament field—and more harshly with respect to the political problems that are involved in connection with Berlin and Germany. There is, of course, no way of predicting what will happen at the summit conference nor the degree of importance that will be attached to the various matters that are likely to be discussed there. But insofar as the chances of making headway at the summit are concerned, I would say that as of the moment they are neither better nor worse than they were at the time of the Camp David talks.

Q. Here is a name we haven't heard in a long ime, Mr. Secretary. In view of Harold Stassen's xperience in disarmament negotiations, do you nticipate he will be needed again in this dministration? (Laughter.)

A. I personally have a very high regard for Iarold Stassen's ability. However, he has now een out of the disarmament field for the past 2 ears, and it would be my guess that he would not ecessarily be reentering that field, unless there ould be a very real need for additional services eyond those which I expect to be performed rilliantly in the person of Mr. Fredrick Eaton. Applause.)

Q. How can you expect Russia to accept inpection of its armaments when its capacity to conal its missile bases remains such an advantage?

A. I think that that question comes very much nder the same category as the first question—that is is a great advantage, that the Russians are not oing to be willing to give up that advantage ghtly without feeling that they have an assurance f a *quid pro quo* that compensates them for giving it up. This, again, is one of the very serious roblems that I think all of us here recognize we ill have to face in trying to work out adequate inection. And without adequate inspection and erification I can see very little progress being ade in the whole disarmament field.

.S.-Cuban Relations

Q. We now come to the big one, Mr. Secretary. here have been a number of questions on Cuba. hese questions have various technical things: bout at what point will the United States take taliatory economic action against Cuba by cutng its sugar quota, the pegged price, or tariff reference? Are you considering Brazil or Arntina as a third power to mediate the United tates-Cuban problem? The report is that the tate Department is readying a new "get tough" olicy on Cuba. I think it all boils down to two uestions: (1) Plaintive: "When are we going do something about Cuba?" (2) Belligerent: What about Cuba?" (Laughter.)

A. In the presence of Ambassador [Philip W.] onsal here, I hesitate answering any of these uestions because, to my mind, he is one of the nest ambassadors that we have. He is one of the most levelheaded and has been conducting his mission with very great skill. (Applause.)

I am not surprised that there are many questions in regard to Cuba. It is, obviously, as I think both the President and I have said before, a situation which gives us very real concern.

The question of economic retaliation is one that has to be gaged, obviously, in the framework of a great many other considerations.

Let me speak of the Sugar Act, which is usually referred to in this connection: In the first place, by international agreement we have taken a pledge that we would not utilize either political or economic means to interfere in the internal affairs of any nation in Latin America. That was our agreement under the OAS [Organization of American States]. In the second place, the sugar agreement has many ramifications. It was first written and the preference was established in 1934, at a time when there was chaos in the sugar market and our own producers, our own refiners, and those in many other nations were plagued by the competition of surplus production and the fact of very uncertain markets.

When that Sugar Act was written, as you know, there were other countries involved in it as well as the United States, and its purpose was to inject into the overall sugar picture a degree of stability—which it was very successful in doing. And I would say there are at least five other nations, very friendly nations to us, who are involved and who share a part of the preferential quota market, in which, of course, Cuba has the very largest share of all.

So in looking at the Sugar Act as a possible means of economic retaliation, it is obvious that there are a great many considerations that have to be studied and studied very carefully, so that in trying to accomplish a given objective we may not be creating for ourselves some other problems of an equally serious nature.

With respect to the remainder of our relations, we are exercising, I think, a degree of restraint and patience which the situation warrants. I am obviously not going to discuss what I have termed a deteriorating situation, and which I still consider a deteriorating situation, in great detail now. But we still have faith that the latent friendship between the Cuban and the American people will bring order out of the present picture without the

extremes that may ensue and that, naturally, all of us dislike very much viewing as a prospect.

I am hopeful that perhaps one of these days you will have Mr. Bonsal with you as a guest here when you can go into many more of the details, and I can assure you that you can find no better informant nor one with better judgment to talk to you about them. (Applause.)

Q. Now, what does the President of Brazil mean when he talks about the "wall of silence" that exists between the United States and the Latin American countries?

A. I frankly don't know. (Laughter.) I hadn't seen that quotation before, so that it's an entirely new one to me. If he is referring to a wall of silence with respect to additional financial aid for Brazil, that might be possible. We have been discussing with Brazil the financial situation for a long period of time and in a very amicable way. Brazil, however, has also been discussing its troubles with the Monetary Fund, and we are all trying to work together in order to help Brazil to solve its own internal economic problems. It's very possible that with the coming visits we shall have additional talks on that subject, and I'm hopeful that in time we can get such economic problems as exist between us straightened away.

Q. Sir, how do you rate biological warfare as a threat to the West compared to the nuclear threat?

A. I am afraid there is no way of making a comparison unless one knows what the intentions of the other fellow are to use them. Biological warfare, as far as I know, can mean a great variety of things. It can mean bacterial, it can mean lethal gases, it can mean other types of chemical warfare. It's a very, very wide field, and naturally we haven't the vaguest idea in what form or in what quantity it might be used against us. Unless one could measure that, it would be very difficult to set it up as against nuclear warfare, although obviously nuclear warfare is likely to cause many more casualties much faster than is particularly biological warfare. I don't think that at this time there is any basis of comparison.

Q. Do you know of any place in the United States Government where studies of the effects of disarmament on the United States economy and corrective measures are being studied seriously?

A. I do not know of any such studies that are being made. I cannot conceive of disarmament coming in terms of a sudden $40 million cut in the United States budget and the cancellation of all production that is now under way in the United States. The preparations for defense are requiring a considerable part of our budget, of course, and a considerable part of our gross national product. However, if we begin to fear what disarmament might do to us from an economic point of view, I think we are in a very sad situation.

Q. Mr. Secretary, do you favor accepting the new passes which the Russians are now insisting that Allied military missions carry while traveling in East Germany?

A. That is a matter which is still under discussion in Berlin. I think that it has been made clear from the press stories that have been issued so far that we are not at all keen to accept the new designation on those passes which indicate that instead of being issued for travel in the Soviet-occupied zone of Germany they are for travel in the "German Democratic Republic." And I say, however, this is a matter still being discussed with our French and our British colleagues, and I would not want to go into a further discussion of that while these talks are still continuing.

Q. What do you hear about that submarine of Argentina? (*Laughter.*)

A. I'm afraid that my firsthand knowledge of the subject is no greater than yours. The Navy group that went down there that were requested by the Argentine Government have, as far as I know, not yet returned. I don't think we have any formal report from them. It seems clear that, in the particular bay in which one or perhaps two were reported to be cooped up, they are no longer there. I notice that our Soviet friends announced that it was not a Soviet submarine, or they were not Soviet submarines, but the announcement came after the announcement that the submarines had escaped.

Q. A naval friend of mine said that certainly was a whale of a story. (*Laughter.*)

Communist China

Q. Is Communist China a greater menace to our national security than the U.S.S.R.?

A. There again it's very hard to make any comarison. The attitude that Communist China is day adopting toward the United States is, of urse, a great deal tougher one publicly than that lopted by the Soviet Union. Even in comparale meetings where they are together, it's the hinese who say the nastiest words about us. his may be a calculated thing at a time when the ussians are trying to increase the spirit of what ey call Camp David. This question obviously ould have to be divided into two parts, and that present and future. At the present I would say e answer is definitely "No." For the future erything depends on the rapidity of Chinese velopment both from a military and an ecomic point of view. And I think it would be foolrdy for anyone to predict what in 15 or 20 years om now might be the greater menace to us. Let hope that the sanity of the world will have proessed to a point where perhaps as menaces we n feel that there is a standoff potential which ill not make either of them a menace.

Q. Here are two questions on the French atomic periments. Now that France is an atomic power, s she been invited to join the Geneva talks? ill she be? And, two, do you believe that the rench nuclear weapon experience qualifies France der American law to receive nuclear informaon and materials? If not, do you favor a change the law?

A. Again there are two questions. I think I ght to address them both to my good friend sitg at my right here, Mr. [Jules] Moch. As far I know, there have been no discussions with rance whatsoever about entering into the Geneva lks, nor have I heard any question discussed to what might be anticipated in that direction. is is something that still has to develop.

I may say that I personally do not know ether the tests that the French are conducting ll be continued or not. There have been reports at there may be more. But I certainly don't ow on my own, and I rather doubt whether Mr. och would want to say anything about that at is time.

Insofar as the existing law and the explosion of is weapon are concerned, the reading of the legisive history of that law would not be encouraging om the point of view of saying that the shooting off of this weapon would automatically entitle France to a sharing of atomic secrets. The legislative history is long and complicated. And obviously the Atomic Energy Committee of the Congress has a great deal to say with respect to this matter. I cannot predict what will happen. As of the moment, as the President has said, the administration is not prepared to send up any change in the law to the Congress. Nor have we discussed this matter with the French since the bomb has been exploded.

Q. Mr. Secretary, we have a Press Club certificate of appreciation for you, given to the Honorable Christian Herter in recognition of meritorious service to correspondents of press, radio, and television in the Nation's Capital.

Anniversary of Independence of Baltic States

Statement by Secretary Herter

Press release 65 dated February 15

Forty-two years ago Lithuania, Latvia, and Estonia proclaimed their national independence. These declarations of independence were based on strong national traditions which had endured for centuries despite periods of heavy oppression. The Soviet Government was among those which granted early recognition and claimed to renounce forever all sovereign rights in the new Baltic nations. However, after two decades of freedom the Baltic countries were forcibly incorporated into the Soviet Union.

We wish on this occasion to reaffirm our strong and lasting friendship for the people of the Baltic States and to assure them once again that they remain very much in our thoughts. Our close ties with the people of Lithuania, Latvia, and Estonia stem from a common devotion to freedom as well as from the important contribution which people from these lands have made to the development and enrichment of the cultural, economic, and political life of the United States. We retain the strong conviction that the people of Lithuania, Latvia, and Estonia are entitled to governments of their own choosing and look to the day when the Baltic countries can again enjoy national independence.

President Authorizes Seizures of Arms Being Illegally Exported

White House press release dated February 18

WHITE HOUSE ANNOUNCEMENT

The President issued on February 18 an Executive order which confers upon the Attorney General certain seizure powers set forth in section 401 of title 22 of the United States Code. Under the terms of this order the Attorney General is authorized to seize and detain arms, munitions of war, and other articles intended to be or being illegally exported from the United States, together with the means used or intended to be used in effectuating the illegal exportation.

The order provides specifically that the Attorney General is authorized to seize and detain arms or munitions of war or other articles and to seize and detain any vessel, vehicle, or aircraft containing such items which has been, or is being, used in exporting or attempting to export such arms or munitions of war or other articles, whenever an attempt is made to export or ship from or take out of the United States such arms or munitions of war or other articles in violation of law, or whenever it is known, or there is probable cause to believe, that such arms or munitions of war or other articles are intended to be, or are being or have been, exported or removed from the United States in violation of law.

The order further provides that the authority thus conferred upon the Attorney General may be exercised by any official of the Department of Justice whom the Attorney General may designate. The Attorney General will designate the Director of the Federal Bureau of Investigation to exercise the authority conferred by this order. These seizure powers are intended to aid the Department of Justice in carrying out its investigative responsibilities in the enforcement of this country's neutrality statutes, especially that provision which makes it unlawful for anyone knowingly to set on foot or take part in a military or naval expedition or enterprise against a government with which this country is at peace.

This order in no way affects the seizure powers vested in the Secretary of the Treasury by section 401 of title 22 of the United States Code. The Secretary of the Treasury will continue to exercise these powers with respect to the enforcement of statutes within his jurisdiction.

EXECUTIVE ORDER 10863[1]

AUTHORIZING THE ATTORNEY GENERAL TO SEIZE ARMS AN MUNITIONS OF WAR, AND OTHER ARTICLES, PURSUANT TO SECTION 1 OF TITLE VI OF THE ACT OF JUNE 15, 1917, AS AMENDED

By virtue of the authority vested in me by section 1 o Title VI of the act of June 15, 1917, 40 Stat. 223, a amended by section 1 of the act of August 13, 1953, 6 Stat. 577 (22 U.S.C. 401), it is ordered as follows:

SECTION 1. The Attorney General is hereby designate under section 1 of Title VI of the act of June 15, 1917 as amended by section 1 of the act of August 13, 1953, a a person duly authorized to seize and detain arms o munitions of war or other articles, and to seize and de tain any vessel, vehicle, or aircraft containing such item or which has been, or is being, used in exporting or at tempting to export such arms or munitions of war o other articles, whenever an attempt is made t export or ship from or take out of the United States suc arms or munitions of war or other articles in violatio of law, or whenever it is known, or there is probabl cause to believe, that such arms or munitions of war o other articles are intended to be, or are being or hav been, exported or removed from the United States i violation of law.

SEC. 2. The authority conferred upon the Attorne General by section 1 of this order may be exercised b any officer of the Department of Justice designated f such purpose by the Attorney General.

Dwight D. Eisenhower

THE WHITE HOUSE,
February 18, 1960.

Seven Additional Scientists Assigned to Overseas Posts

The Department of State announced on Febr ary 13 (press release 58 dated February 11) t appointment of seven additional scientists for i science program.[2] Three of the appointees a assigned as science officers at New Delhi, Buen Aires, and Rio de Janeiro, four as deputy scien officers at London, Stockholm, New Delhi, a Tokyo.

The men selected are: Earnest C. Watson, de of the faculty, California Institute of Technolog as science officer for New Delhi; Neal Weber, pr

[1] 25 *Fed. Reg.* 1507.

[2] For names of the science officers whose appointme were announced on December 13, 1958, see BULLETIN December 29, 1958, p. 1048.

essor of zoology, Swarthmore College, as science fficer for Buenos Aires; Harry W. Wells, chairan, upper atmospheric section, Carnegie Instiution of Washington, as science officer for Rio de aneiro; John B. Bateman, biophysicist, U.S. rmy Chemical Corps, as deputy science officer or London; William H. Littlewood, zoologist and ceanographer, U.S. Navy Hydrographic Office, s deputy science officer for Stockholm; David C. ife, International Cooperation Administration dviser to the Government of Thailand and ormerly professor of zoology, Ohio State Uniersity, as deputy science officer for New Delhi; nd Marshall Crouch, professor of physics, Case nstitute of Technology, as deputy science officer or Tokyo.

This is the second series of appointments to be ade for the science program of the Department f State under Wallace R. Brode, Science Adviser the Secretary.[3] The first appointments ssigned science officers to our embassies in Lonon, Paris, Rome, Bonn, Stockholm, and Tokyo.

The science program of the Department has een extremely well received at home and abroad nd has become an integral part of the Departent and its Foreign Service. The latest science fficer appointments maintain the high standards t by Dr. Brode in the initial selection of scienists: a reputation in science on the international ene, a facility with the language of the country, nd a knowledge of the status of science in the untry of assignment. In all cases the scientific iscipline of the deputy complements that of the ience officer in order to insure more adequate epresentation and coverage of science.

The deputy science officer will assist the science fficer, whose duties are as follows: advise the amassador and his staff on science matters, keep breast of changes in the organizational structure f science in the government of the assigned couny, evaluate the interaction of science with forgn policy, assess current scientific programs broad, and enhance liaison between the United tates and foreign scientists and engineers. All f the men will enter on duty within the next few onths with the exception of Dr. Crouch, who egan his term at Tokyo 7 months ago.

[3] For a statement by Dr. Brode on "The Role of Science Foreign Policy Planning," see *ibid.*, Feb. 22, 1960, 271.

U.S. Rice Policy in Asia

Statement by U. Alexis Johnson
Ambassador to Thailand[1]

My Government and I are concerned at the apparent misunderstanding concerning some aspects of policies and facts respecting American rice exports to Asian countries. Further, speculation without full knowledge of the facts conceivably may unsettle the rice market in Thailand and other countries and cause hardship to the farmers who produce the rice.

Thai and Americans are good friends, and in the spirit of that friendship I should like to present the facts as they appear to my Government and do what I can to remove any misunderstanding.

Rice has long been a United States crop, but its growth was expanded greatly in World War II, when my country moved to meet world food needs. Because of this, the United States has been a major exporter of rice both during and after World War II. Asian countries have been among the buyers of this rice.

At the end of the war other nations began to resume normal food production, with the result that a rice surplus began to build up in the United States.

The United States has done several things in its attempts to protect and reconcile the economic interests of its own farmers as well as those of Thailand and other rice exporters of the free world.

This is what my country has done to meet this situation:

First, it cut its own rice acreage by 47 percent, or nearly half, during the last 5 years and, as much as is possible within a free economy, took energetic measures to encourage domestic consumption both in food and in industry.

Second, in 1954 Congress enacted what is popularly known as Public Law 480. Under the provisions of this law, the United States Government, when requested by governments with limited foreign exchange resources, has sold rice to these countries against payment in local currencies, thus providing food which could not otherwise have reached these people.

Such sales have only been made with the ex-

[1] Issued at Bangkok, Thailand, on Feb. 9.

pressed assurance by those governments that they would not be allowed to upset normal trade patterns with Thailand or other friendly countries or obstruct commercial transactions which would have been made in the absence of such sales. Indeed, it is the hope of the United States that Thailand may fully share in the growing markets resulting from the improving and expanding economies of the rice importing countries. In this connection it should be noted that the local currencies received in payment for such surplus agricultural commodities made available in these countries under Public Law 480 have also provided funds for their internal economic development. (The proceeds from tobacco sold to Thailand under Public Law 480 have been used to finance both industrial development and the Fulbright program.)

Third, in the interest of stabilizing prices, the United States has, over the past 5 years, on the average withheld from the world market, at the expense of the United States Government, more rice than it has exported.

It has been the consistent practice of the United States Government, before entering into agreements for the sale of rice in this area, to inform the Government of Thailand of the proposed transactions. Any views that the Thai Government may desire to express in this regard are carefully and sympathetically considered by my Government. This practice will be continued.

During the past 4 U.S. fiscal years (July–June), from July 1955 through June 1959, agreements provided for sales of rice under this program to Asian countries averaging 328,000 metric tons annually. I believe the record shows that during these years the rice exports of Thailand and of other exporters in the area were maintained at high levels. The amount contemplated for this year under the Public Law 480 program is somewhat below the previous average noted above. Thus, there is no basis for rumors that the United States intends to flood the Asian rice market.

As a final point of clarification, I refer to reports which have been published that the United States intended to sell large quantities of rice to Singapore. The United States has no plans for selling rice to Singapore under any government program. American exporters are, of course, entitled to sell freely on a commercial basis. However, responses to our inquiries do not indicate that any such commercial sales are being made in Singapore.

I hope that the foregoing information may be useful in clarifying any misunderstanding and be of assistance in dispelling rumors that may operate to the detriment of the economy of Thailand and the welfare of its farmers in which my Government and people continue to be so deeply interested.

King and Queen of Thailand To Visit the United States

White House press release dated February 17

The White House announced on February 1 that Their Majesties the King and Queen of Tha land have accepted the President's invitation t visit the United States. Their Majesties will b in the United States for a 10-day state visit, b ginning at Washington June 28.

Sixth SEATO Council Meeting To Be Held at Washington

Press release 74 dated February 18

The sixth meeting of the Council of Foreig Ministers of the Southeast Asia Treaty Organiz tion will convene at Washington May 31, the D partment of State announced on February 1 The Council meeting, which will continue throu June 3, will be preceded by a meeting of t SEATO Military Advisers from May 25 throu May 27.

Both meetings will be opened with ceremoni in the Departmental Auditorium on Constituti Avenue between 12th and 14th Streets. Keyn speakers for these occasions as well as lists of de gates from member countries will be announc at a later date.

Foreign ministers from all SEATO meml countries are expected to attend the Coun meeting. The Military Advisers meeting will attended by senior military representatives of t member countries. The purpose of these meetir is to review developments during recent mon and to make plans for the future.

The countries belonging to SEATO Australia, France, New Zealand, Pakistan,

Philippines, Thailand, the United Kingdom, and the United States. Last year's Council meeting was held at Wellington, New Zealand.[1]

President of Greek Parliament Visits United States

The Department of State announced on February 19 (press release 78) that the President of the Greek Parliament, Constantine Rodopoulos, will arrive at New York on February 22 to begin a 2-week visit to the United States at the invitation of the Department. He will be accompanied by Mrs. Rodopoulos.

Mr. Rodopoulos will arrive at Washington National Airport on February 23 and will be greeted by Assistant Secretary of State G. Lewis Jones on behalf of the Department of State and by Greek Ambassador Alexis Liatis. During his stay in Washington, he will meet with Acting Secretary Douglas Dillon, Under Secretary Livingston Merchant, Assistant Secretary Jones, and other officials of the Department of State. He will also meet with George V. Allen, Director of the U.S. Information Agency, James Riddleberger, Director of the International Cooperation Administration, Chief Justice Earl Warren, members of the Senate Foreign Relations Committee, and House Speaker Sam Rayburn. An official welcome to the city of Washington will be extended by Commissioner Robert E. McLaughlin. A luncheon will be given in his honor at the President's Guest House by Under Secretary of State Merchant.

After leaving Washington, Mr. Rodopoulos will visit California, where he will meet with Gov. Edmund G. Brown and address the California Legislature. He will also meet with the acting Mayor of San Francisco and tour the University of California at Berkeley and the radiation laboratory there. While in San Francisco, he will be feted by the Greek community on February 28.

Mr. Rodopoulos will arrive at New York on March 2 for a stay of about 5 days. While in New York he will meet with Mayor Robert Wagner, Ambassador Henry Cabot Lodge, U.N. Secretary-General Dag Hammarskjold, Archbishop James of the Greek Orthodox Church, Gov. Nelson A. Rockefeller, and former Governor W. Averell Harriman.

[1] BULLETIN of Apr. 27, 1959, p. 602.

President Appoints Committee on Information Activities Abroad

White House press release dated February 17

The President on February 17 announced the appointment of a committee to be known as the President's Committee on Information Activities Abroad. The Committee will survey and evaluate the Government's overseas information programs and related policies and activities but will not concern itself with organizational matters. A similar study was made in 1953 by the President's Committee on International Information Activities.[1]

The members of the new Committee are:

Mansfield D. Sprague, *chairman*
C. D. Jackson
Philip D. Reed
Livingston T. Merchant, Under Secretary of State for Political Affairs
George V. Allen, Director, United States Information Agency
Allen W. Dulles, Director of Central Intelligence
Gordon Gray, Special Assistant to the President for National Security Affairs
Karl G. Harr, Jr., Special Assistant to the President for Security Operations Coordination
John N. Irwin II, Assistant Secretary of Defense for International Security Affairs

Waldemar A. Nielsen will be Executive Director of the Committee.

U.S.–Canadian Economic Committee Concludes Talks at Washington

Following is the text of a communique issued at Washington on February 17 at the close of the fifth meeting of the Joint United States–Canadian Committee on Trade and Economic Affairs.

Press release 70 dated February 17

1. The fifth meeting of the Joint United States–Canadian Committee on Trade and Economic Affairs was held at the Department of State, Washington, February 16 and 17.

2. Canada was represented at the meeting by the Honourable Donald M. Fleming, Minister of Finance; the Honourable Gordon Churchill, Minister of Trade and Commerce; and the Hon-

[1] For background, see BULLETIN of Feb. 9, 1953, p. 217, and July 27, 1953, p. 124.

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ourable Douglas S. Harkness, Minister of Agriculture.

3. The United States was represented by the Honorable Christian A. Herter, Secretary of State; the Honorable Douglas Dillon, Under Secretary of State; the Honorable Robert B. Anderson, Secretary of the Treasury; the Honorable Fred C. Scribner, Under Secretary of the Treasury; the Honorable Fred A. Seaton, Secretary of Interior; the Honorable Ezra T. Benson, Secretary of Agriculture; the Honorable Frederick H. Mueller, Secretary of Commerce; and Mr. Don Paarlberg of the White House.

4. The members of the Joint Committee were accompanied by Ambassador Heeney of Canada and Ambassador Wigglesworth of the United States, and senior officials of departments and agencies of the two governments.

5. The Committee reviewed recent economic developments in the United States and Canada. They noted that the expansion of economic activity was continuing in both countries and that output and employment had reached new high levels. Sustained efforts to avoid inflation had been made in both countries and price increases in 1959 had been slight. The Committee agreed on the desirability of policies designed to bring about even greater expansion of trade on a multilateral basis.

6. The Committee noted with satisfaction the substantially improved economic and financial position of most other countries and in this connection welcomed the considerable progress made since the last meeting [1] in the removal of restrictions and the elimination of discrimination against exports from the dollar area. However, the Committee emphasized the importance of securing the complete removal of the remaining quota discrimination in world trade.

7. In reviewing agricultural problems the Committee noted the prevalence of special restrictions on agricultural trade throughout the world and emphasized the importance of pursuing policies which would encourage an expansion of trade. The Committee agreed that incentives leading to an accumulation of burdensome surpluses should be avoided. In regard to programs of surplus disposal, the Committee emphasized the importance of continuing to safeguard normal commercial markets. In this connection the Committee noted with satisfaction the useful work at the quarterly consultations of United States and Canadian officials on wheat and flour problems.

8. There was discussion in the Committee concerning certain restrictions on agricultural trade between the two countries. Canadian interest was expressed in the removal of United States import restrictions on flaxseed, linseed oil, and cheddar cheese. The United States representatives expressed interest in the removal of Canadian import controls on turkeys.

9. The Committee discussed recent developments in the fields of petroleum and natural gas. They agreed upon the desirability of close cooperation between the National Energy Board of Canada and the United States Federal Power Commission. The Committee recognized also that the two governments should keep each other closely informed of developments in either country bearing on trans-border movements of petroleum and natural gas.

10. Canadian Ministers expressed their continuing concern about the quota restrictions imposed in September 1958 [2] by the United States on imports of lead and zinc, and urged that these temporary restrictions be withdrawn and no other barriers to trade placed in the way of sales of these basic materials to the United States. It was noted that the recent report of the United Nations' Lead and Zinc Study Group [3] indicated a good balance between available supply and demand for zinc and some improvement in this respect for lead. The United States representatives noted the Canadian views and pointed out that while the restrictions could not be withdrawn until there had been substantial improvement in the distressed segments of the United States lead and zinc mining industries, the question of import treatment of lead and zinc is under continuous review and is now before the United States Tariff Commission as well.

11. Canadian and United States representatives discussed the outlook of the uranium industry in both countries and agreed on the importance of keeping each other informed of development prospects.

12. Canadian Ministers drew attention to the difficulties which are created for the Canadian

[1] For text of a joint communique issued at the close of the last meeting, see BULLETIN of Jan. 26, 1959, p. 128.

[2] *Ibid.*, Oct. 13, 1958, p. 579.

[3] Study Group doc. No. 7, Feb. 19, 1960.

otton textile industry by the United States qualization payments on cotton products. The Jnited States representatives explained that no fundamental change in their system, which is lesigned to equalize the cost of raw cotton to nanufacturers in the export trade, appeared practicable at this time, but both sides agreed hat the matter should receive continued study.

13. The United States representatives expressed concern about the introduction of a new charge for the use of air navigation facilities by civil aircraft over-flying Canadian territory on North Atlantic routes. The Canadian Ministers pointed out the charge covered only a part of the arge and growing costs of these facilities.

14. The Committee exchanged views on the increasing activity of Soviet bloc countries in world trade and the possible implications of this development for the future.

15. The Committee considered the problems which have arisen from rapid increases of imports nto Canada and the United States in certain lines of low-cost manufactured goods. They were agreed on the importance of finding a general international solution which would provide exporting countries with adequate outlets for their products, would insure that the impact of low-cost competition would be more evenly distributed among the importing countries, and would at the same time, safeguard the industries of importing countries from serious injury. It was noted that a study of this important problem had been undertaken by the Contracting Parties to the General Agreement on Tariffs and Trade.

16. The Committee also discussed economic developments on the international scene with particular reference to the Paris economic meeting of January 12–14.[4] This included a review of the situation arising from the establishment of the European Economic Community and the European Free Trade Association, as well as an evaluation of the role Canada and the United States may play with regard to these developments. The Committee were agreed on the desirability of finding solutions to current trade problems in Europe on a multilateral basis which would take full account of the interests of other countries.

17. The Committee noted the importance of the level to be established for the common tariff of the European Economic Community including the tariff rates for basic materials and certain other products which are still under negotiation within the Community. The Committee considered that arrangements for trade in agricultural products in Europe should be such as to facilitate imports of agricultural goods from other countries on a competitive basis and agreed on the importance of intensified international efforts to deal with this problem.

18. There was an exchange of views on other matters arising from the Paris economic meetings, including development aid to the less developed countries and proposals for the reconstitution of the Organization for European Economic Cooperation.

19. The Committee reaffirmed the value of their periodic joint meetings, and expressed satisfaction at the high degree of understanding and cooperation between the two governments. It agreed to hold the next meeting in Ottawa.

[4] For background, see BULLETIN of Feb. 1, 1960, p. 139.

Peter I. B. Lavan Appointed to U.S. Committee for U.N.

The White House announced on February 16 that the President on that date had appointed Peter I. B. Lavan to be Chairman of the U.S. Committee for the United Nations for 1960.

President Determines Tariff Quota on Wool-Fabric Imports for 1960

White House press release dated February 8

WHITE HOUSE ANNOUNCEMENT

The President has determined the application for 1960 of the wool-fabric tariff quota established by his 1956 proclamation[1] invoking the so-called Geneva wool-fabric reservation. These woolen and worsted fabrics are also the subject of a peril-point study being held by the Tariff Commission prior to a renegotiation of the wool-fabric provisions of U.S. tariff schedules.

The President notified the Secretary of the Treasury that he set the 1960 breakpoint of the tariff quota at 13.5 million pounds, which was also the 1959 level.[2]

[1] For text, see BULLETIN of Oct. 8, 1956, p. 556.

[2] *Ibid.*, May 18, 1959, p. 720.

Until 1960 imports reach the breakpoint, the rates of duty remain at 30¢ or 37½¢ per pound (depending on the nature of the fabric) plus 20 percent or 25 percent ad valorem (again depending on the nature of the fabric). Imports during 1960 in excess of the breakpoint will, with certain exceptions, be subject to an ad valorem duty of the full 45 percent allowed by the Geneva reservation.

Under the exceptions which were adopted in earlier years, the overquota rate of duty is 30 percent ad valorem for certain handwoven and "religious" fabrics and for a maximum of 350,000 pounds of overquota imports of certain high-priced, high-quality fabrics. The President noted in earlier years the many problems arising under this tariff quota. In the effort to find a more satisfactory solution, the United States has issued formal notice of its intention to renegotiate the tariff provisions involved.[3] Accordingly the President requested peril-point findings from the U.S. Tariff Commission on October 21, 1959. When the Commission reports its findings, further steps will be taken.

The Geneva wool-fabric reservation is a right that was reserved by the United States in a 1947 multilateral trade agreement at Geneva. Under that reservation the ad valorem rates of duty applicable to most woolen and worsted fabrics entering the country may be increased when such imports, in any year, exceed an amount determined to be not less than 5 percent of the average annual U.S. production of similar fabrics for the 3 preceding calendar years. The 1947 tariff concession and the reservation apply to woolen and worsted fabrics dutiable under paragraphs 1108 and 1109(a) of the Tariff Act of 1930, as modified. Most woolen and worsted fabrics entering the United States are dutiable under these paragraphs.

[3] *Ibid.*, Nov. 16, 1959, p. 724.

PRESIDENT'S LETTER TO SECRETARY ANDERSON

February 8, 1960

Dear Mr. Secretary: Proclamation 3160 of September 28, 1956, as amended by proclamations 3225, 3285, and 3317 of March 7, 1958, April 21, 1959, and September 24 1959, respectively, provides for the increase of the ad valorem part of the duty in the case of any of the fabrics described in item 1108 or item 1109(a) in Part I of Schedule XX to the General Agreement on Tariffs and Trade (Geneva—1947) or in item 1109(a) in Part I of that Schedule (Torquay—1951) entered, or withdrawn from warehouse, for consumption in any calendar year following December 31, 1958, in excess of a quantity to be notified by the President to the Secretary of the Treasury.

Pursuant to Paragraph 1 of that proclamation, as amended, I hereby notify you that for the calendar year 1960 the quantity of such fabrics on imports in excess of which the ad valorem part of the rate will be increased as provided for in the seventh recital of that proclamation, as amended, shall be 13,500,000 pounds.

On the basis of presently available information, I find this quantity to be not less than five per centum of the average annual production in the United States during the three immediately preceding calendar years of fabrics similar to such fabrics. Although it is believed that any future adjustments in statistics will not be such as to alter this finding, in the event that they do, I shall notify you as to the revised quantity figure.

Sincerely,

Dwight D. Eisenhower

The Honorable Robert B. Anderson
Secretary of the Treasury
Washington, D.C.

The Mutual Security Program for Fiscal Year 1961

Following is the text of President Eisenhower's message to the Congress on the Mutual Security Program for fiscal year 1961, together with statements made by Secretary Herter and Under Secretary Dillon before the House Committee on Foreign Affairs.

PRESIDENT'S MESSAGE TO CONGRESS[1]

To the Congress of the United States:

A year ago in my message to the Congress on the mutual security program,[2] I described it as both essential to our security and important to our prosperity. Pointing out that our expenditures for mutual security are fully as important to our national defense as expenditures for our own forces, I stated that the mutual security program is not only grounded in our deepest self-interest but springs from the idealism of the American people which is the true foundation of our greatness. It rests upon five fundamental propositions:

(1) That peace is a matter of vital concern to all mankind;

(2) That to keep the peace, the free world must remain defensively strong;

(3) That the achievement of a peace which is just depends upon promoting a rate of world economic progress, particularly among the peoples of the less developed nations, which will inspire hope for fulfillment of their aspirations;

(4) That the maintenance of the defensive strength of the free world, and help to the less developed, but determined and hard working, nations to achieve a reasonable rate of economic growth are a common responsibility of the free world community;

(5) That the United States cannot shirk its responsibility to cooperate with all other free nations in this regard.

It is my firm conviction that there are only a few in the United States who would deny the validity of these propositions. The overwhelming support of the vast majority of our citizens leads us inexorably to mutual security as a fixed national policy.

The mutual security program is a program essential to peace. The accomplishments of the mutual security program in helping to meet the many challenges in the mid-20th century place it among the foremost of the great programs of American history. Without them the map of the world would be vastly different today. The mutual security program and its predecessors have been an indispensable contributor to the present fact that Greece, Turkey, Iran, Laos, Vietnam, Korea, and Taiwan and many nations of Western Europe, to mention only part, remain the home of free men.

While over the past year the Soviet Union has expressed an interest in measures to reduce the common peril of war, and while its recent deportment and pronouncements suggest the possible opening of a somewhat less strained period in our relationships, the menace of Communist imperialism nevertheless still remains. The military power of the Soviet Union continues to grow. Increasingly important to free world interests is the rate of growth of both military and economic power in Communist China. Evidence that this enormous power bloc remains dedicated to the extension of Communist control over all peoples

[1] H. Doc. 343, 86th Cong., 2d sess.; transmitted on Feb. 16.

[2] BULLETIN of Mar. 30, 1959, p. 427.

everywhere is found in Tibet, the Taiwan Straits, in Laos, and along the Indian border.

In the face of this ever-present Communist threat, we must, in our own interest as well as that of the other members of the free world community, continue our program of military assistance through the various mutual security arrangements we have established. Under these arrangements each nation has responsibilities, commensurate with its capabilities, to participate in the development and maintenance of defensive strength. There is also increasing ability of other free world nations to share the burdens of this common defense.

Obviously, no one nation alone could bear the cost of defending all the free world. Likewise, it would be impossible for many free nations long to survive if forced to act separately and alone. The crumbling of the weaker ones would obviously and increasingly multiply the threats to those remaining free, even the very strongest.

Collective security is not only sensible—it is essential.

That just peace which has always been and which remains our primary and common goal can never be obtained through weakness. The best assurance against attack is still the possession and maintenance of free world strength to deter attack.

The nations of Europe are increasingly assuming their share of the common defense task. None of our NATO partners other than Greece, Turkey, and Iceland now requires nor receives any economic assistance. Indeed, in rising volume, these nations are now providing economic assistance to others. Our NATO allies are also meeting their military needs to an increasing degree; several major countries now require no help. Our military programs in NATO countries today are largely designed and executed as joint cost sharing arrangements whereby vital additional defense needs are met through mutual effort.

It is clear that while every possibility to achieve trustworthy agreements which would reduce the peril of war must be explored, it would be most foolish to abandon or to weaken our posture of common deterrent strength which is so essential a prerequisite to the exploration of such possibilities. The need is for steadfast, undramatic, and patient persistence in our efforts to maintain our mutual defenses while working to find solutions for the problems which divide the World and threaten the peace.

The mutual security program is a program essential to world progress in freedom. In addition to its mutual defense aspects, it also is the American part of a cooperative effort on the part of free men to raise the standards of living of millions of human beings from bases which are intolerably low, bases incompatible with human dignity and freedom.

Hundreds of millions of people throughout the world have learned that it is not ordained that they must live in perpetual poverty and illness, on the ragged edge of starvation. Their political leaders press the point home. In a variety of ways this drive is moving forward by fits and starts, often uncertain of its direction. It is sometimes involved in free world struggle against communism, sometimes not. It is clearly in the interests of the United States that we assist this movement so that these countries may take their places as free, independent, progressing, and stable members of the community of nations. It is equally clear that it would be against our interests if this forward movement were stifled or hindered. The result would be to breed frustration and explosive threats to political and economic stability in areas around the world.

Equally with military security, economic development is a common necessity and a common responsibility. An investment in the development of one part of the free world is an investment in the development of it all. Our welfare, and the welfare of all free men, cannot be divided—we are dependent one on the other. It is for each of us, the strong and the weak, the developed and the less developed, to join in the great effort to bring forth for all men the opportunity for a rewarding existence in freedom and in peace. World economic expansion and increase in trade will bring about increased prosperity for each free world nation.

New challenges, with corresponding opportunities, are now visible before us: the acceleration of the achievement of independence of peoples in Africa; the growing restlessness in the less developed areas; and the increasing potential for partnership and assistance to these areas as a result of the continued growth of the now healthy econo-

mies of the industrialized Western European nations and of Japan, Canada, and Australia.

Free world cooperation is becoming the watchword of this effort. In the past year the capital of the International Bank for Reconstruction and Development was doubled and that of the International Monetary Fund was increased by half. In addition, a United States proposal for an International Development Association to be affiliated with the International Bank for Reconstruction and Development has been accepted in principle and a draft charter recently has been submitted to member governments. I expect to transmit to the Congress recommendations on this matter in the near future. The industrialized nations of Europe, together with Japan and Canada, are notably stepping up their participation in cooperative efforts among themselves and with the less developed countries to promote growth. Similar approaches will be discussed at a meeting of representatives of a number of nations, to be held in Washington in March.[3]

In our own Western Hemisphere society of nations, we are now joined in a great new venture, the Inter-American Development Bank. This new institution, formed in partnership with our neighboring nations, should prove of immense value in promoting the more rapid development of the member nations. Our participation in this joint effort is significant of the special interest which we have in the progressive development of our neighbors. Together with the very considerable dimensions of private and government investment taking place in the hemisphere, and the mutually beneficial technical cooperation we have so long enjoyed with our neighbors, it should serve to accelerate progress.

Thus the military and economic resources which we provide through the mutual security program, to help create and maintain positions of strength, are properly to be regarded as what they are—investments in the common defense and welfare and thus in our own security and welfare. This is a *mutual* security program.

Our concepts are sound, our policies of proven value, and our will to meet our responsibilities undiminished and constant.

[3] For background on the establishment of a development assistance group, see *ibid.*, Feb. 1, 1960, p. 139. The group will convene at Washington on Mar. 9.

The Proposals for Fiscal Year 1961

The form and general structure of the mutual security program for fiscal year 1961 remains essentially that which has stood the test of experience. In the administration of the various mutual security programs, changes have been instituted in organization, programing, and management controls. It was in part for the purpose of analyzing and making recommendations for improving the administration of the program that I appointed last year a distinguished group of citizens headed by General Draper. Many of the recommendations that they made have already been put into effect.[4] We are constantly seeking additional management improvements to meet the program needs and difficult problems of operating these diverse programs on a worldwide basis. The categories of activity are the same as those with which the Congress is familiar. Adjustments in the nature and dimension of activity are proposed which reflect and are responsible to the changes in the world scene, in the degrees of need and of capability for self-help. These adjustments also are consistent with an analysis of future needs and of future changes and capability for self-help. This forward analysis was, in part, conducted in conformance with the requirement of law that plans of future grant economic assistance be developed and presented to the Congress. The detailed plans and conclusions on future assistance will be submitted to the Congress in the near future.

Military Assistance

For military assistance I am requesting in the pending Department of Defense budget an appropriation of $2 billion. This is more than was requested, or than was provided for fiscal year 1960. The request for a larger appropriation is not made in order to increase the proportionate share of U.S. participation in the common defense. Nor does it reflect an intent to embark on a vast expansion of the military assistance program.

[4] The composite report of the President's Committee To Study the Military Assistance Program, of which William H. Draper, Jr., was chairman, is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. (vol. I, 60 cents; vol. II (Annexes), $1).

The amount requested for military assistance within the Defense budget is in my considered judgment, and in that of the Joint Chiefs of Staff, a need for our defense equally compelling and of equal importance with the needs of our own services provided for elsewhere in the Defense budget.

The amount requested is the result of careful and detailed review of the needs of our allies to enable them to maintain the level of combat effectiveness made possible by previous military assistance and to provide, mostly on a cost-sharing basis, for certain essential force improvement projects. Without adequate provision for maintenance, the moneys previously spent would be largely wasted. And without force improvement, without the provision of more advanced weapons, the free world forces would inevitably fall behind in their ability to counter modernized aggressor forces.

The fact, if it is a fact, of reductions in Soviet military manpower,[5] does not alter the need for the maintenance of our collective defense. Soviet military power, as Mr. Khrushchev's own statements make clear, remains great. Our plans have never attempted to match Soviet armed manpower; they have been and are designed to deter aggression. Of special importance is the maintenance of a strong and effective deterrent posture in the NATO alliance. As indicated earlier, the improving economic position of Western Europe as a whole makes it possible for Europe to share increasingly in the cost of the common defense, and for certain major European countries to maintain their defense efforts without U.S. assistance. At the same time, the requirements for modernization and improvement are of such dimension that our participation in joint cost-sharing projects with certain European countries over the immediate future is still essential. Provision for such contributions is included in the proposed program.

The amount requested for fiscal 1961 is consistent with the recommendations of the bipartisan committee of distinguished citizens headed by General Draper, which I appointed last year to review our policies and programs. This committee strongly urged the maintenance of a delivery program of approximately $2 billion annually. In recent years, annual deliveries have averaged about $2.2 billion. Deliveries in fiscal year 1960, however, reflecting the reduced appropriations of recent years, will fall back to $1.8 billion or less. Unexpended balances carried over from previous years have now been reduced to a minimum and deliveries in future years will closely approximate the annual appropriation level.

In my considered judgment, an appropriation of $2 billion for fiscal year 1961 is the minimum amount consistent with the maintenance of a firm and adequate collective defense posture. Anything less in effect precludes essential modernization and improvement of forces and limits us to a bare maintenance program.

Economic Assistance

Defense Support

For 12 of the nations with whom we are joined in collective or mutual security arrangements, we have for some years been contributing not only military resources required in the common defense but economic resources in the measure needed to permit the maintenance of such defenses without incurring political or economic instability. This category of resource contribution we term "defense support"—economic resources to assure a defense posture. These 12 countries maintain forces of over 3 million men, more than the total number in the U.S. Armed Forces, and each of these underdeveloped countries, except for Spain, is part of the exposed land and offshore island belt that forms the immediate southern and eastern boundary of the Sino-Soviet empire. Requirements in this defense-support category have decreased somewhat; for fiscal year 1961 I am requesting for these programs $724 million or $111 million less than I asked for last year. This reduced requirement reflects in some measure a gradual but perceptible improvement in the economic situations in these countries. More than half, 56 percent, is for the three Far Eastern countries of Korea, Taiwan, and Vietnam, which have the common characteristics that they are divided countries facing superior Communist forces on their borders, forces which the Communists previously have demonstrated their willingness to use, thereby compelling these frontier nations to support armed forces far in excess of their unaided capacities to maintain. The amounts requested for these purposes

[5] For a U.S. comment on the proposed Soviet reduction, see BULLETIN of Feb. 1, 1960, p. 147.

represent the least we can contribute and retain confidence that adequate defenses will be maintained.

Special Assistance

Another category of international cooperation in the mutual security program is the provision of economic resources to other nations where such resources are essential to the maintenance of their freedom and stability. This category of cooperation we term "special assistance." I am requesting $268 million for these purposes in fiscal year 1961. Such provisions will enable us, for example, to continue aid to the young nations of Morocco, Libya, and Tunisia, to strengthen the stability of Jordan and the Middle East, to combat the encroachment of Communist influence in Afghanistan, and to undergird the economies in Bolivia and Haiti. Special assistance will also enable our continued participation in such vital programs as the worldwide antimalaria campaign.

Aid to Development

The achievement of economic progress, of growth, depends on many things. Through collective security arrangements, through defensive measures, by giving military aid and defense support, we and other nations can achieve a measure of security and stability within which the process of development is possible and can be fostered. The primary and essential prerequisite internally is the determination to progress and take the actions needed and to make the sacrifices required. No matter how great the determination, however, there will remain tremendous needs for both technical improvement and capacity and for development capital. If a pace of development is to be achieved which will meet the essential demands of these peoples, outside help is a necessity.

Technical Cooperation

Through our long-established program of technical cooperation and by our contributions to the United Nations activities in the technical assistance field, we make a major contribution toward the satisfaction of this thirst and need for growth in knowledge and technical capacity. The mutual security program proposed for fiscal year 1961 continues these vital activities and provides for the enlargement and extension of our technical assistance programs in the newly emerging nations of Africa. For bilateral technical assistance I request $172.5 million; for our participation in United Nations technical assistance programs I ask $33.5 million; and to supplement our much larger bilateral program with our neighbors to the south, I ask $1.5 million for the program of technical assistance which we conduct in cooperation with them through the Organization of American States.

Africa

Of inescapable interest to the United States in the world today is the increasing assumption of self-government by the peoples of the great continent of Africa, especially in the area south of the Sahara. This vast area deserves and commands the full attention and assistance of the free world if it is to develop its institutions and its economy under freedom. While the needs of Africa south of the Sahara for development capital are real and can be expected to grow, there is an imperative and immediate requirement for increased education and training. The request for appropriations for special assistance includes an amount of $20 million for a special program to be instituted for the improvement of education and training in Africa south of the Sahara, with particular emphasis to be given to the meeting of needs which are common to all the countries of the area. It is my belief that this initial effort must grow significantly in the immediate years ahead and complement similar efforts on the part of other free world nations so that the capacity of the new and other developing nations in Africa to manage and direct their development can be strengthened and increased rapidly and effectively. Without such strengthening and development of education and training, the preconditions of vigorous economic growth cannot be established.

Development Loan Fund

In the field of development assistance, the Development Loan Fund is proving to be an increasingly effective instrument for response to those needs which cannot be satisfied from private investment, the World Bank, or other like sources. It has assisted in the installation of basic facilities, such as power and transportation, necessary for growth in the less developed areas. Particularly important are the expanded activities of the Development Loan Fund in the field of private enter-

prise. The Development Loan Fund is opening new opportunities to build an effective partnership with American private enterprise wherein the private resources of the country can make an increased contribution to development in the less developed nations. The history of the Development Loan Fund activity over the past 2 years indicates that the flow of such loan capital has tended to respond to the degree of need and of capability. In other words, those areas where the determination and the will to progress are greatest and the capacity to use such resource effectively is the greatest, have been the leading recipients of loan assistance from the Development Loan Fund. I request $700 million for the Development Loan Fund for use beginning in fiscal year 1961.

South Asia

Over the past 2 years a major share of Development Loan Fund loans have been made to the two great nations of south Asia—India and Pakistan—where half a billion people are deeply committed and irrevocably determined to develop and maintain institutions of their own free choice, and to raise their standards of living to levels of decency. The force and drive of this great effort is unmistakable; it warrants the full and warm support of the free world. We have joined with other nations in helping these countries; we envisage the total public and private effort to assist south Asia not only continuing but expanding. An increased amount is expected to be devoted to this great cause from the resources requested for the Development Loan Fund for fiscal year 1961 as these countries increase even further their own self-help efforts.

The Indus Basin Development

A development of major significance in south Asia is the substantial progress being made under the auspices of the World Bank to effect a solution to the complex and difficult problem of the use of the waters of the Indus River Basin as between India and Pakistan. Vital interests of both countries are involved; the solution must involve a plan whereby the waters, on which the agriculture, the food supplies, and the economies of the region depend, can be equitably developed and shared. It is anticipated that an agreement on such a development plan may be reached in the near future. Essential to its fruition is the willingness of nations outside south Asia to assist in the development plan, the cost of which cannot be borne by these nations unaided. Under World Bank auspices, plans are being developed whereunder the Bank, British Commonwealth nations, West Germany, and the United States will each contribute to the costs of the development plan and the supervision and management of the enterprise will be undertaken by the Bank. We propose to provide a measure of assistance to this activity through the mutual security program in fiscal year 1961 and in subsequent years as needs arise. To assure that we can effectively participate in this multilateral undertaking, I am asking for authorization to exercise flexibility in the application of regulations normally applied to bilateral undertakings if and when such exceptional action is required for this great project. The solution of this troublesome international issue should be of great assistance in promoting a peaceful and cooperative resolution of other divisive issues and encourage a maximum concentration on the major goals of peace and prosperity.

Republic of China

The mutual security program can be expected also to be responsive to the needs of other areas and countries as their determination and capacity to employ development capital grows. We have received proposals from the Government of the Republic of China for an expanded and accelerated program of economic reform and development to which we are giving close and careful attention. The vigorous and skilled population of Taiwan, the record of growth in investment and output, the very real potential for acceleration offer a prospect for a convincing demonstration that under free institutions a pace and degree of achievement can eventually be obtained in excess of that resulting under totalitarianism. For this purpose, we envisage the full employment of both grant and loan assistance to hasten the day of ultimate viability and self-sustaining growth.

Contingency Fund and Other Programs

In addition to the major categories of cooperation which I have mentioned, military assistance and defense support, special assistance, technical

cooperation, and the Development Loan Fund, I am asking also for a contingency fund of $175 million and for $101 million to continue a variety of small but important programs.

The contingency fund is an essential safeguard against the unforeseen or not wholly predictable need. The record of the past several years clearly demonstrates its value as enabling prompt and effective response to the altering course of international events.

The $101 million requested for other programs will permit our continued participation in UNICEF, in refugee programs, and in the foreign programs for peaceful uses of atomic energy. It also will provide for administrative costs to administer the economic and technical programs.

For the total mutual security program I ask $4.175 billion. The need for these amounts has been examined and reexamined with great care in the executive branch. I am entirely satisfied that the needs for which funds are sought are needs which must be met and that the funds sought are the most reasonable estimates of requirements we can produce. There is no question but that the Nation can afford the expenditures involved; I am certain we cannot afford to ignore the needs for which they are required.

Conclusion

The United States is a privileged nation. Its citizens enjoy a measure of prosperity and well-being and an extent of liberty under free institutions unequaled in the history of the world. Our ideals and our ideology place upon us a responsibility for leadership and for cooperation with other nations and other peoples which we accept willingly and with pride.

My recent travels impressed upon me even more strongly the fact that free men everywhere look to us, not with envy or malice but with hope and confidence, that we will in the future as in the past be in the vanguard of those who believe in and will defend the right of the individual to enjoy the fruits of his labor in peace and in freedom. Together with our fellow men, we shall not fail to meet our responsibilities.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
February 16, 1960.

STATEMENT BY SECRETARY HERTER, FEBRUARY 17

Press release 68 dated February 17

I am pleased and privileged to appear before you today, to open again this year the hearings on the Mutual Security Program. As I am sure you realize, I consider the Mutual Security Program to be vital to our security and an indispensable instrument of our foreign policy. My purpose today is to express to you as candidly and as clearly as I can the reasons for my convictions. Such an explanation is your due and also my duty. The heavy responsibility of meeting the challenges with which we are faced in the world in which we live is a mutual one which we share.

The Current Scene

This world today may be said to be characterized by change. New and constantly expanding discoveries in the various fields of knowledge necessitate frequent and sometimes difficult adjustments in our way of life, yet hold great promise for the future growth and development of civilization.

Despite the growth of man's knowledge and the limitless possibilities which such growth portends, we must also recognize that there are some things which have not changed, things which must affect our daily lives now, and in the future, and with which we must deal as they are, rather than as we would like them to be.

The harsh and basic fact is that we live in a world in which but a fraction of the world's peoples enjoy both freedom and prosperity. The harsh and basic fact is that approximately a third of the people of the world live under the domination and control of a Communist dictatorship. The harsh and basic fact is that outside the Communist bloc hundreds of millions of people in the world today are struggling to rid themselves of the curse of poverty, and that these peoples are greatly concerned to find the shortest and most effective way to improve their material conditions.

The harsh and basic fact is also, and this is of the greatest importance, that the masters of the Communist world and their followers are deeply and firmly dedicated to the proposition that the extension of their control over the rest of the world, both the prosperous and the less fortunate parts, is inevitable, and to be pursued by any and all means that may be available.

The strength and vital force of this Communist dedication must not be underestimated. It is an undeniable fact that, while millions of people live under Communist control imposed on them against their will, there *are* those who believe in the Communist ideology as fully and as fervently as any American patriot believes in the American ideology. It is an undeniable fact that the Communist masters, the dedicated Communists, are unrelenting in their advocacy of their beliefs, are constantly preaching to the young, the adult, and the old, at home and abroad, the virtues of their concepts, the irresistibility of their power, and the inevitableness of their victory. To this end, the full resources of the state and its citizens are employed without let or hindrance from any process of democracy.

This powerful, crusading, and dedicated force is indeed a threat to our security which we cannot ignore without the gravest peril. Our own ideology, our way of life, is so basically different from the Communist ideology that we have difficulty in crediting and comprehending their beliefs. These basic beliefs are the most significant of the facts with which we must deal, and deal effectively, if the values we hold dear are to survive. Let me make clear my understanding of the Communist creed. These people *believe* that it is inevitable that the capitalistic system must collapse and that it must be succeeded by classless socialist societies. They *believe* that those who understand this principle of historic inevitability have a right and an obligation to impose their views on others for the furtherance of the cause. These men *believe* that any action which advances their cause is *morally right.* They believe that totalitarian government under the control of the Communist Party of the Soviet Union is the right, necessary, and natural form of government until the capitalist states of the world have been brought into the fold and capitalism eliminated from their lives and minds. Ultimately, they believe, a world of freedom and plenty for all can be attained in a stateless and classless Communist society. No Communist leader denies this creed; on the contrary, its promulgation is constantly reiterated.

The Communists do not just talk about their creed. They use the resources, human and material, of a great empire controlling a third of the people of the world. They have great military strength, they are well organized, their progress in educating and developing their people ha been truly remarkable. These very real power support and are fully employed to advance th cause to which they are dedicated.

Collective Defense

In the face of this great force, this revolution ary movement, where do we stand? It is and ha been obvious to us all that to stand idly by whil the rest of the non-Communist world is swallowe up bit by bit would be the height of folly. Ou policies for over a decade now have recognize the essentiality and importance to us of a end to the expansion of the Communist empir by force or the threat of force. We long sinc determined to create and maintain defensive mil tary strength which could assure that such aggre sion could not succeed. We long since recognize that the creation and maintenance of such d fensive strength required the full and free coo eration and joint effort of many nations. W long since recognized that our assistance to suc other nations to enable those which needed he to create and to maintain an adequate defen was an essential and integral measure for our ow security. Our efforts to create this defensi strength have been successful efforts. The co lective power of ourselves and our allies h served and must be maintained at a level th will continue to serve as a barrier to the expa sion of Communist control through the use force.

Economic Strength

We long since recognized as well that milita defenses are not enough to thwart the spread Communist control, if we ignore the needs a demands of free peoples for economic securi and a decent standard of living. In our ov case it is imperative to maintain a strong a healthy economy, for upon such economic streng our true power to defend ourselves depends. the case of our European allies, it was imperati to achieve recovery and rehabilitation after ye of the devastation of war. This task has be accomplished and the greater part of free Eurc today is healthy and strong. In the case of A and the Near East, along the perimeter of t massive Communist bloc, a quite different a much more difficult problem has faced us. So of these nations have chosen to identify the

selves clearly as adherents to our ideology. Others, inexperienced and only recently reaching independence of foreign domination or control, were less certain of their future and desired an independent course. The common characteristic, however, is a deep and growing desire and determination to improve their lot, to achieve material progress. Confronted with great and almost overwhelming shortages of both material and trained human resources, it is not surprising that the discontented and impatient may be attracted by the radical solutions of communism pointing to an ultimate visionary goal of peace and prosperity in a classless society. In these circumstances, it is clear that if the appeal and pressures of communism are to be resisted, it is essential that there be a choice available to these nations—an alternative to communism which is more than the preservation of the *status quo*. The road to a decent life for these masses of human beings is not a short nor an easy one. The process of improvement is necessarily gradual and laborious. To achieve improvement requires determination and sacrifice. But determination and sacrifice are not enough if human and natural resources are lacking, or cannot be developed without help. It has been our policy and our practice to endeavor to provide that help, that marginal element of technical and economic assistance which, with their own efforts, enables these people to advance within institutions of their own choosing toward a fuller and freer life. Our mutual efforts have been successful, though the completion of the task lies far ahead. These nations have not been absorbed into the Communist empire; they are making visible and noteworthy progress in their arduous struggle for a decent life.

In Africa, we see a rapid evolution of new nations after centuries of submergence and decades of foreign control. Independence is being achieved at an increasing rate. Certainly the American people welcome and encourage the political evolution in this great continent which permits and provides for government by consent of the governed. At the same time, independence brings not only freedom and opportunity, but responsibilities for achieving successful political and economic development which seriously strain the human and material resources available to these nations in their present stage of development. A paramount and compelling requirement for success is the rapid development of human skills and institutions so that material resources can be more effectively employed and exploited. It is inescapably in our interest that these people and nations receive our support and encouragement in their efforts to progress in institutions of their own choice.

Similarly in our own hemisphere, the peoples of the other American Republics are striving at a growing tempo to achieve a more rewarding and fruitful existence. The program of inter-American technical cooperation was the first such program for the United States, and it continues today to serve as a concrete demonstration of international cooperation among sovereign nations. The newly created Inter-American Development Bank is the most recent expression of our common interest and our common determination that together we can foster and assist the achievement of our common goals of progress in the hemisphere.

Communist Aid

The Sino-Soviet bloc has not ignored the opportunity offered by the growing demand for progress among the less developed nations. 1954 marked the initiation of the bloc economic offensive. By the end of 1959, agreements had been signed with 19 less developed countries to provide $3.2 billion in credits and grants, of which $2.5 billion was for economic aid. Bloc aid reached a high level in 1958, when aid agreements concluded totaled slightly more than $1.0 billion. The $921 million of credits and grants extended during 1959 was almost entirely for economic purposes, by far the largest amount extended for economic development in a single year. A feature of the bloc campaign which has had great appeal to the recipients is the apparent willingness to provide types of projects which an underdeveloped country wants without requiring economic justification for the project or attempting to secure governmental reform of various economic policies. Nor does the bloc appear to require the various accounting checks which are involved in United States programs. That bloc aid is not without its political objectives and conditions, however, has been well illustrated by the historic "postponement" of credits to Yugoslavia when ideological conflict occurred and the pressure on Finland when government policies offended. No

one who will listen to the clear enunciation of policy of the Communist leaders can doubt that the basic purpose of bloc aid is to promote the achievement of a Communist world.

American Purposes

Our efforts to defend our way of life, to prevent the spread of Communist power, are not efforts to impose our views on others or to require a common fealty to the United States. The efforts we make to help others to defend themselves, to achieve progress, are basically and fundamentally a part of our own creed. We believe in the right of all peoples and nations freely to choose their own ways of life; we believe in cooperation, based on respect, with other nations; we believe in the dignity, rights, liberties, and importance of the individual man, the subordination of the state to the interests and will of its citizens; we believe in decision by discussion and dissent, in tolerance, in governments of laws not of men, and in peace with justice. These are the beliefs on which our Nation was founded, on which it grew strong and great, and on which its future strength and greatness depend. It is these beliefs which motivate us to join with others in the defense of them. It is because we believe in these concepts that we wish to assure that other men may have the opportunity to enjoy the blessings of life in a free society.

Thus our efforts in the Mutual Security Program have high purpose. We seek to defend ourselves and to assure our own security; we seek equally to support the right of every nation freely to determine its own system of government; we seek equally to help in the progressive betterment of human beings. It is for these reasons that we have had a Mutual Security Program; it is for these reasons that we should and must continue it.

The Program Proposed

The program for mutual security which we are proposing for fiscal year 1961 has been most carefully constructed and reviewed. It represents the best and most considered judgment of the executive branch as to that pattern and dimension of activity and effort which is essential to the maintenance and promotion of our national interests. It is, in our view, the program required to provide an adequate response to the obligations which we, as free men, have to ourselves and to our fellow men.

This program has two major and complementary purposes. The first of these is the preservation of an adequate *defensive strength.* The second is the encouragement and promotion of *human betterment.*

Defensive Strength

For this first purpose we seek to provide military equipment and training to other nations in amounts and kinds appropriate to their needs and ours for the maintenance of effective military forces. For those of these friendly and allied nations which are unable through their own efforts to maintain the military forces which we agree are essential, we also propose to provide, as we have done before, such additional resources as are needed to enable the maintenance of an adequate defense. In some other nations, we are providing resources to assure the maintenance therein of vital military facilities required for our defense.

Some of the nations with which we are allied and in whose defensive strength we have great interest no longer require our help to play their part in effective joint defense. Thus in Europe our program does not include new commitments for grant aid to the more prosperous European nations, although our interest in their defensive strength continues unabated. Elsewhere in NATO, the growing capabilities of our partner nations are expected to enable them to meet in increasing measure the costs of the military forces which are needed for the common defense. Similarly the need for economic help, that is, for defense-support assistance on the part of other allied nations which have been receiving such assistance is decreasing somewhat. Thus, our request for defense-support funds is $111 million less than the amount we asked for last year. These encouraging developments reflect a measure of success in the common effort to attain greater military and economic strength. Our program demonstrates that the capabilities for self-help of our allies as well as their needs are fully taken into account in developing our proposals for assistance to them. With this assistance and a continuation of increasing self-reliance and capability, we can and will maintain the strong and effective defense which our security demands.

Human Betterment

For the second purpose of our program—the encouragement and promotion of human betterment—we seek to provide resources both human and material to help other nations to develop their skills and their economies, to bring to their peoples a measure of hope and faith that their aspirations for a better life will and can be met in increasing degree.

Our help in developing human skills, in making available the knowledge and technical expertise of our civilization, is provided largely through technical assistance programs, both bilateral and multilateral. Thousands of dedicated Americans are laboring abroad in over 60 nations in a wide variety of technical projects in such fields as agriculture, education, and public health. These men and women are working with the people of other nations, striving together for solutions to the problems they face in advancing the level of skills and knowledge which is so essential to progress. Those of us who know at first hand the splendid work being done by these Americans are proud of them and the part they are playing, frequently at great personal sacrifice, in the cause of human betterment.

Our help in the form of material resources, in the financing of development, is furnished in the form of both grant and loan assistance. While primary reliance for United States Government assistance in the financing of economic development programs and projects is placed on the Development Loan Fund, we do provide special assistance in the form of grants and loans to nations where such help is required because of unusual or compelling circumstances which make reliance on the Development Loan Fund unsuitable or inappropriate. Each such case will, of course, be specifically justified in our program presentation.

Through the Development Loan Fund, we have been able to respond to the needs for loan financing in close correspondence with the determination and capability of the borrowing nations. Thus the primary criteria for use of these funds have been the need for help and the capacity to use it effectively, as was the intention of the Congress and the executive branch in establishing this instrument. We anticipate, as you will hear in the more detailed testimony which is to follow, that these development loan funds will continue to be used in the same manner—so as to respond to the initiative and efforts of other nations rather than in an indiscriminate fashion.

Interdependence

Our preoccupation with the importance of these objectives of adequate defense and human betterment, and with the role we should and must play, sometimes results in our overlooking the fact that it is primarily on the efforts of our friends and allies that we must and do rely. Our aid, military, economic, and technical, provides only a small part of the resources required. This marginal aid is, of course, of critical importance since it can mean the difference between success and failure. However, we must not forget that if others depend on us for this critical margin of help, it is we who depend upon them for the provision of the major proportion of material and human resources and for the effective use of both these resources and those which we provide. Truly, we are interdependent. We are not engaged in charity; we are engaged in a mutually beneficial program in which we must rely on one another for our common security and progress.

United States efforts to help in the cause of progress are not, of course, the only efforts being made. It is a matter of real satisfaction and encouragement that in increasing degrees the other industrialized free nations of the world are responding to the challenge of the need for progress. The nations of Western Europe and Japan are expanding their efforts to help in the development of the new and emerging nations. The advent of the International Development Association and the forthcoming Washington conference of industrialized nations, which will consider further ways and means of cooperation in this task, augur well for the future.

Conclusion

In summary, gentlemen, we and other free men everywhere share common goals and common beliefs. We also share a common danger. Our objectives are clear. We want peace and progress. We can and we shall achieve them. To do so we must provide for our security while developing our resources and institutions. The achievement of our common objectives is a common responsibility,

to meet which requires the best efforts of all of us.

The Mutual Security Program is of vital importance as a part of our participation in this great mutual effort for peace and progress in freedom. I cannot urge too strongly your early and favorable action to authorize its continuance.

STATEMENT BY UNDER SECRETARY DILLON, FEBRUARY 18

Press release 72 dated February 18

It is a pleasure to join you as you undertake your review of the Mutual Security Program for fiscal year 1961. We propose to proceed with our presentation along lines similar to that of previous years, though you will note substantial changes in the content of the program. In developing the program for the coming year, we have given careful attention to the suggestions made by the Congress during its consideration of last year's program.

Because of the early date at which hearings are starting, we are unable to have in your hands at the outset the usual presentation materials. We do hope to provide you with these materials, generally in the same form as last year, by the first of March. When Mr. John Murphy, the Inspector General and Comptroller of the program, appears before you, he will explain the format and nature of these materials. Our aim throughout this presentation will be to provide you with a clear and straightforward explanation of the objectives of each program as well as the reasons for considering the sums requested to be a minimum United States contribution toward reaching these objectives.

Because of Mr. Claxton's[6] illness, I have obtained the services of Mr. Ben Brown to represent me in coordinating the executive branch presentation. He is here with me today and will be available to assist you throughout your deliberations.

Before answering questions, I would like to cover briefly, *first*, the proposed changes in legislation, *secondly*, the basic concepts which underlie the fiscal year 1961 program, *thirdly*, the amounts proposed, *fourthly*, the administration of the program, and *finally*, to make a few brief remarks on the significance of the program.

[6] Philander P. Claxton, Jr., Deputy Assistant Secretary for Congressional Relations (Mutual Security Affairs).

I. Principal Legislative Changes Proposed

No major revision of the basic Mutual Security Act of 1954 is proposed for fiscal year 1961. However, let me call your attention to the few principal changes in the order in which they occur in the bill.

First, amendment of sections 141 and 142(a), relating to agreements as a condition of eligibility for defense support and military assistance, is requested in order to limit the requirement for such agreements to defense support and military equipment and materials. The interests of the United States have repeatedly been well served by providing military training and information to countries with which such agreements do not exist. Such programs have been undertaken on the basis of specific Presidential findings. However, the number of exceptions has reached the point where we believe it preferable to eliminate the legislative requirement as it applies to training and information.

Second, the addition of a new section 404 is proposed with respect to Indus Basin development. This section affirms United States willingness to participate in this significant undertaking and authorizes the use of mutual security funds in accordance with requirements, standards, or procedures established by the International Bank for Reconstruction and Development (IBRD). The IBRD is in the process of organizing a major but highly complicated program under which its resources and those provided by the United Kingdom, certain Commonwealth countries, Western Germany, and the United States may all be used to finance a program for developing the Indus River to the benefit of both India and Pakistan. In order for the United States contribution to the project to be most effective, it will be necessary for the funds to be administered under IBRD rules rather than requiring the Development Loan Fund and ICA [International Cooperation Administration] to fulfill certain requirements which apply in normal bilateral activities, such as completion of cost estimates and determination of feasibility. Authority is also being asked for the President to waive the application of the 50–50 shipping clause to assistance provided for this project, if and when such exceptional action may become necessary for our successful participation. The plan for the optimum use of the water resources of the Indus valley will have to be worked

out carefully over an extended period of time. It is of prime importance, as the President stressed in his message on the Mutual Security Program. This is a cooperative program in which a number of countries are joining with the World Bank in a joint effort. The United States will be contributing only a part of the costs. This fits into our endeavor to obtain greater help for development from other industrialized countries. It is important that the Congress give statutory endorsement to United States participation in this program on a practicable basis.

Third, amendment of section 407, relating to Palestine refugees in the Near East, is requested by repeal of the proviso contained in its first sentence. Despite every effort to implement this proviso, the intent of which I fully endorse, its practical effect is to prevent the use of appropriated funds and lead to their useless sterilization. The Palestine Conciliation Commission of the United Nations is being reactivated [7] and its work should promote the purposes of the proviso.

Fourth, certain amendments are proposed to the administrative provisions of the act which should facilitate efficient management and which therefore have my full support. At this time, I would only call your attention to an amendment to section 527(b) relating to the employment of personnel. An increase of 8 is proposed in the number of personnel who may be employed at rates higher than those provided for grade 15. Last year, an increase of 15 was requested, of which 10 were granted. There are real needs for this flexibility in properly staffing the management levels of the Mutual Security Programs in ICA, in DLF, and in the Office of the Inspector General and Comptroller, which was created subsequent to our submission of last year's request.[8]

Finally, certain amendments are proposed to other legislation. May I particularly draw attention to the proposed amendment to section 202 of title II of Public Law 480, relating to famine relief and other assistance, which would permit the use of surplus agricultural commodities under title II to promote the economic development of less developed areas. One principal purpose of the amendment is to clarify authority under title II to carry out work relief projects on a continuing rather than on an emergency basis. Such authority would be particularly useful in our Tunisian program, where the government of a relatively new country must cope with unemployment amounting to nearly one-third of the labor force. Local currencies generated by P.L. 480 sales would allow the continuation of work on badly needed programs such as soil conservation and terracing, irrigation and reforestation. Such programs have been operated with outstanding success on an emergency basis but clarification of the law is felt to be necessary if they are to be continued on a more regular basis.

[7] For background, see BULLETIN of Jan. 4, 1960, p. 31.
[8] *Ibid.*, Aug. 24, 1959, p. 294.

II. Some Conceptions Underlying the Fiscal Year 1961 Program

I have already noted that in preparing the program for the fiscal year 1961, full consideration has been given to the suggestions and views expressed last year by the Congress. I think you will be pleased to find, for example, that as a result of a careful review of the need for classification the presentation material will contain substantially more unclassified material than in previous years.

(a) *Reduction or Termination of Grant Assistance*

A substantial effort was undertaken in connection with section 503(c), which asked for a specific plan for each country receiving bilateral grant assistance whereby, wherever practicable, such grant assistance shall be progressively reduced and terminated. The results of this effort will be ready for presentation to you in the near future, and I will be prepared to speak in greater detail to this point on the 3d of March.

The underlying intent of section 503(c) is reflected in the programs we are proposing. Twenty-one countries are this year receiving grant aid, exclusive of technical assistance, of $5 million, or more; the fiscal year 1961 request involves less defense-support or special-assistance money for 13 of these countries than has been programed this year. In only 5 cases are we recommending an increase and in 3 of those the increases are small. The request for defense-support funds has been reduced almost 15 percent below that of last year. However, we must continue to be mindful of the security interests of the United States which gave rise to past decisions to initiate and continue such grant aid programs. As countries

are able to improve their economic situations, their ability to support defense forces will be enhanced. However, continued assistance will be essential to maintain an adequate rate of growth, without which these countries cannot be expected to pay for more of their direct security requirements. Such assistance should increasingly be supplied by loans, and indeed the proportion of loans in our economic assistance programs has been steadily rising from 4.5 percent in 1954 to 20 percent in 1957 and about 31 percent in 1959. We expect to continue to use loans wherever practicable, but it also seems likely that critical situations will arise which cannot appropriately be met except by grants. We must continue to anticipate that it would be unreasonable to expect some countries, at least for a time, to undertake an obligation to repay urgently needed assistance, even if such repayment were to be in their local currency. We shall, therefore, have to continue to seek authority for grant aid programs, though we would hope to reduce such programs progressively.

(b) *Self-Help*

We have also been particularly mindful of the sentiment that assistance will be most valuable in countries which demonstrate a clear willingness to take effective self-help measures and to demonstrate effectively that such assistance is consistent with workable long-term economic development objectives. We have given full support to various programs of economic stabilization where countries have shown a determination to reform their economic policies in order to assure better use of both their own resources and foreign assistance. In conjunction with this request for funds, our present proposals for south Asia and Taiwan reflect this concern.

(c) *Common Responsibilities*

We have been equally attentive to congressional views with respect to a full contribution to their own defense by countries receiving military assistance. I wish particularly to note the increasing contributions by our NATO partners with the dramatic strengthening of their own economic capacities. The total defense expenditures of European NATO countries rose from $12.2 billion in 1958 to $13.6 billion in 1959, an increase of over 11 percent. The Netherlands Government has indicated its intention to increase its defense budget next year by 9 percent. German defense expenditures increased from $1.6 billion in 1958 to $2.7 billion in 1959, an increase of 68 percent, and are expected to be higher in 1960. The Italian Government has announced that it will increase its defense budget 4 percent annually, on a progressive basis; this has, in fact taken place. Reports indicate that both the United Kingdom and Belgium are considering a significant increase in their new defense budgets.

However, our allies in the developed countries must contend with the high costs of modernizing military establishments just as we are doing. Even if they continue to increase their military budgets, many of them will be unable to meet requirements which have been determined in common as essential to maintain the capacity of the NATO alliance to resist aggression. Given carefully screened requirements beyond the capacities of our allies, we must either supplement their efforts or see a weakening of our collective capabilities. It is therefore proposed to continue to help finance modernization efforts, using cost sharing agreements wherever possible in those cases where our collective security requirements cannot reasonably be met by our NATO partners alone.

As for the less developed countries which require military assistance, many of them can be expected to bear an increasing share of the domestic costs of maintaining their forces as their economies grow. This expectation is reflected in the proposal to reduce the defense-support program. However, the costs of replacing and modernizing military equipment is well beyond their capacities, faced as many of them are by neighbors who place a high premium on strengthening their military potential and whose intentions must remain highly suspect.

As their own economic strength improves, the more developed countries are also contributing more to the less developed areas.

For example, the United Kingdom has been progressively increasing its bilateral government assistance from some $150 million in 1957 to about $190 million in 1958 and $210 million in 1959; the estimate for 1960 is $335 million. Germany has been making significant contributions to Greece, Turkey, and India and has also concluded an aid agreement with the United Arab Republic among others. France continues to contribute to the co-

velopment of its overseas territories, exclusive of Algeria, in amounts which represent a higher percentage of her gross national product than our economic assistance to less developed countries represents of United States gross national product. Japan not only pays substantial reparations to the Philippines, Indonesia, Viet-Nam, and Burma, but is assisting India, Brazil, Cambodia, and Laos with significant sums. The recently established International Development Association provides for a United States contribution of $320 million as compared with $442 million from the other developed countries. The Rome Treaty, establishing the European Economic Community, which went into effect in 1958, provides for a 5-year contribution of some $581 million to an Overseas Fund to finance economic and social development in the overseas territories of the member countries. I cite these figures as examples without wishing to slight the equally important contributions of other countries to both bilateral and multilateral aid programs. We are undertaking discussion with a group of capital exporting countries with a view to greater coordination of our common efforts on behalf of the less developed countries, and expect that the first meeting of this group will take place in Washington early in March.

This increasing assistance from other industrialized countries is a most hopeful development in meeting the needs for development assistance.

These needs are real; they are deeply felt; they can only be met through a maximum effort by all the more fortunate countries. Unless such efforts are made, the social and political manifestations of economic dissatisfaction will threaten the peaceful evolution of free institutions in the less developed areas. We all have a moral responsibility to do what we can to help; we and our children will glean the benefits that will accrue to those who assume their rightful responsibilities.

(d) *Earmarking of Funds for the Transfer of Surplus Agricultural Commodities*

I want to call your attention to my remarks before this committee a year ago[9] about the earmarking of funds for the transfer of surplus agricultural commodities. You may recall that difficulties were anticipated in carrying out the provisions of section 402 of the act, difficulties which stem from two elements: the increase in agricultural production in the countries we are assisting and the diminished incentive under conditions of currency convertibility for Western European countries to purchase agricultural commodities and permit the sales proceeds to be used to purchase goods required in the underdeveloped countries. We are experiencing serious difficulty in using as much as the $175 million earmarked out of fiscal year 1960 funds to finance such transfers of surplus agricultural commodities. We anticipate having to ask the President to waive part of this requirement as he is empowered to do under the act. While we do not propose a change in this requirement and will again make every endeavor to carry out this provision during fiscal year 1961, it is probable that some shortfall will again occur, and that waiver authority may again have to be used.

(e) *The United States Balance of Payments*

Finally, recent trends in the United States balance-of-payments position are the object of continued attention. Though Department of Commerce statistics suggest that we may have passed the turning point in our recent balance-of-payments experience, we have and are continuing to seek the reduction of barriers imposed by our major potential customers to the flow of American goods. We are also preparing to increase substantially governmental services to American business interested in selling abroad. It is through increased exports that we believe recent trends can best be halted.

It should be noted that in our balance of payments it has been exports which have fluctuated most widely. On the other hand, mutual security expenditures affecting our balance of payments have remained relatively constant over the last decade and therefore have not contributed to the increase in the unfavorable balance.

As you know, the DLF is now placing primary emphasis on the financing of goods and services of United States origin in making loans for development projects.[10] This step was taken on the presumption that other industrialized countries which export capital goods to the less developed areas are now in a financial position to provide

[9] *Ibid.*, Apr. 6, 1959, p. 489.

[10] For a statement by Vance Brand, Managing Director of DLF, see *ibid.*, Nov. 16, 1959, p. 708.

long-term loans on reasonable terms to assist such areas in their development programs.

The major contribution of the Mutual Security Program to the economic health of the United States is the more fundamental one of helping create conditions of political and economic stability and fostering economic growth abroad. Our friends and allies are also our customers.

III. The Amounts Proposed for Fiscal Year 1961

Now let me discuss the proposed new authorization for appropriation. I would like to review briefly the principal figures. The categories and definitions of aid are the same as those used in recent years.

Military Assistance

Although the military assistance appropriation for fiscal year 1961 will be sought under the authorization voted last year, I do want to explain to this committee why an appropriation of $2 billion is necessary, a sum $700 million in excess of the appropriation for fiscal year 1960.

The military assistance pipeline can no longer be tapped to maintain deliveries in excess of appropriations, as has been the case ever since 1953. It will have been reduced to about $2 billion by next June 30th. Consequently, a substantial increase in appropriations is required if we are to halt the declining trend of deliveries. The appropriation we are seeking will only permit an effective contribution of military assistance to our allies in fiscal year 1961 of some $1,750 million as compared with $2.4 to $2.6 billion annually between 1955 and 1959. Deliveries in fiscal year 1960 will probably not exceed $1.8 billion. Even with increasing defense budgets in allied countries, the United States will continue to have to bear part of the costs of maintaining and modernizing their forces. The current rate of deliveries is too low to assure an adequate collective defense.

Defense Support

Authority is requested for appropriation of $724 million for defense support, an amount which is $111 million lower than last year's request. Last year the Congress appropriated $695 million under this title; approved programs thus far in the fiscal year total over $765 million, and there is every reason to believe that more funds will have to be programed. Heavy resort to the con tingency fund has been necessary to finance vita programs in defense-support countries. The pro posed figure of $724 million is an absolute mini mum which cannot be reduced without grave risk to our security in one or more areas of the world As their economic conditions improve, every ef fort is being made to meet the economic needs o these defense-support countries with the resource of the Development Loan Fund.

I wish particularly to call your attention to th proposal to use some defense-support money i fiscal year 1961 to support the Chinese Govern ment's expressed determination to embark on program of economic reform designed to acceler ate its economic development. The successiv military crises weathered by the people of Taiwa in recent years have obscured from the public ey the extent to which they have simultaneously im proved their economic situation. Their gross na tional product rose by 8 percent in 1958 and 5. percent in 1959, while defense support has de clined from $79.3 million in 1957 to $68 millio approved thus far in the current year. Economi growth, on the one hand, and the decline of de fense support, on the other, have taken place de spite the fact that Taiwan, an island of only 1 million people, has had to maintain the larges armed force in free Asia. The people of Taiwar out of their own resources, are currently bearin one of the heaviest military burdens of any coun try in the free world.

While the principal support for a new develop ment effort in Taiwan properly should and is ex pected to be provided through Development Loa Fund lending, the provision of some grant eco nomic assistance for development purposes is es sential to assure appropriate launching of the ne program. A grant aid program at approximatel the same level as this year should be adequate fo both maintenance of the defense effort and for th added requirements of the new economic develop ment program.

Special Assistance

In the case of special assistance, $272 millio was proposed for fiscal year 1960, a figure whic Congress reduced to $245 million. Resort to th contingency fund has been necessary to financ approved programs which total almost $260 mil lion at this time. For fiscal year 1961, our care fully screened requirements total $268.5 millio

The programs under this category cover a wide variety of special situations involving political and economic factors which require United States assistance. In most cases, the problems can only be met by grant assistance; in others, present circumstances preclude the use of the Development Loan Fund for the purposes which special-assistance loans can achieve. The programs cover our share of the worldwide antimalaria campaign and of the United Nations Emergency Force in the Middle East; they provide aid to American schools abroad and finance the expenses of the investment incentive fund. They also include a series of aid programs to countries with special needs such as Jordan and Israel and the countries of North Africa.

With $20 million of special-assistance funds requested, it is proposed to initiate in fiscal year 1961 a modest special program for Africa south of the Sahara. The program will concentrate on the need for education and training, particularly on those needs which are common to a number of countries in the area. Our program will supplement the substantial efforts of other developed countries, and we expect to coordinate our activities in this vast area closely with them. It is my firm conviction that the United States must play an increasingly important role in helping the large number of countries on this continent which have newly achieved their independence or will attain independent status in the near future. The newly formed governments must satisfy the aspirations of their people to raise living standards which are among the lowest in the world, and they will inevitably look for help to those developed countries which have an older heritage of striving for independence from colonial rule. Our proposal for the coming year involves a first step toward helping them develop those human skills which are an indispensable precondition for economic development.

Technical Cooperation

Last year Congress appropriated $181.2 million for technical cooperation, as compared with a request for $211 million. For fiscal year 1961, we are proposing a total of $206.5 million, of which $1.5 million would finance our contribution to the program of the Organization of American States and $33 million would finance our participation in the United Nations Technical Assistance Program and its related Special Fund, leaving $172 million for bilateral technical assistance. The proposed level for bilateral technical cooperation represents an increase of some $12.5 million over programed expenditures in fiscal year 1960. The bulk of the increase is concentrated in 14 countries where the programs are new or relatively new, particularly countries on the continent of Africa. For most countries, it is proposed to continue programs in fiscal year 1961 at about the expenditure rate of the current year. In some cases, of course, the programs will be reduced and in others they will be increased.

Other Programs

For the category "other programs," $101 million is requested, as compared with $112 million requested last year and $99.6 million appropriated.

The major change in this group involves a reduction in the amount of new obligational authority for the Palestine refugee program, a reduction undertaken on the assumption that Congress will waive the legislative requirement that 10 percent of the funds appropriated pursuant to the act shall be available only for repatriation and resettlement. If Congress does not agree with this approach, it will be necessary to increase our request for funds accordingly. Our contribution to this program during fiscal year 1961 for relief and rehabilitation should be $25 million. At the end of the present fiscal year, $6.5 million appropriated in past years for repatriation and resettlement will remain unutilized; our best efforts to carry out this proviso have been unavailing in the face of political realities. Late in 1959, the mandate of the United Nations Relief and Works Agency for Palestine Refugees in the Near East was extended for an additional 3 years by the General Assembly of the United Nations.

Our request for funds for the programs for migrants, refugees, and escapees, for ocean freight charges of voluntary agencies, and for the atoms-for-peace program is lower than last year.

Development Loan Fund

A proposal of $700 million for the Development Loan Fund for fiscal year 1960 resulted in appropriations of $550 million. After careful review and consideration, we are again requesting an appropriation of $700 million for use in

fiscal year 1961 out of the $1,250 million authorization still available.

The Development Loan Fund has built up substantial experience and a solid record in dealing with the less developed countries over the past 2 years. It has already extended loans to 43 countries. However, on the basis of foreign policy guidance from the Department of State and the availability of sound applications, it is directing the bulk of its resources toward those less developed countries which meet three principal criteria: first, a major United States foreign policy interest in a high rate of economic development; second, a capacity to mobilize domestic resources and to use foreign assistance effectively in furthering their economic development; third, a need for foreign resources which cannot be financed by other public and private institutions.

During recent months, the management of the Development Loan Fund has devoted a substantial effort toward strengthening its staff, clarifying its policies, and traveling in order to explain to potential borrowers the criteria that must be met and the documentation that must be supplied to assure prompt and effective consideration of loan applications. On the basis of discussions over the last 2 months with foreign officials, the DLF has knowledge of sound applications both on hand and in preparation which would require funds substantially in excess of funds presently available. The contemplated projects appear to meet its criteria. The request for additional appropriations of $700 million represents the very minimum needed to assure that the Development Loan Fund will not be placed in the position during fiscal year 1961 of rejecting sound project applications which meet all its tests—including high United States national interest and absence of alternative financing—solely for lack of money. In this connection it is pertinent to note that, during the last 6 months alone, new proposals were taken under consideration at an annual rate of approximately $1 billion, and there is every expectation that this rate will at least be maintained during the coming year.

As prescribed by its basic legislative authority, the Development Loan Fund has been concentrating its activities in those countries which seem capable of utilizing such assistance to make substantial progress in increasing productive capacities and in this way meeting the vital long-term economic, political, and social concerns of thei peoples. 72 percent of its resources have bee committed thus far to 10 countries. About a thir has been invested in the South Asian Continent where, as the President pointed out in his state o the Union message,[11] two nations alone of almos 500 million people are "all working, and workin hard, to raise their standards, and, in doing so, t make of themselves a strong bulwark against th spread of an ideology that would destroy liberty." DLF's contribution has provided critical supple mentation to both the efforts of the South Asian themselves and assistance extended by other coun tries and international institutions.

The South Asian countries are embarked o programs of economic development which hav the common aim of seeking an economic expan sion sufficient to bring about a significant increas in living standards. People and government alike share a strong desire to maintain an strengthen their independence and to maintai and extend newly won freedom. Their develop ment programs will be carefully and critical reviewed by potential contributors with a vie to the assistance that it would be appropriate fo each to provide. Nevertheless, it may be pre sumed that an expanded effort will have to b made both by international institutions and b the more fortunate countries of the free world A significant fraction of DLF's resources wil doubtlessly be required as our appropriate shar of this international endeavor. Without the ful amount of additional funds which is being re quested, we will not be able to respond adequatel to their needs. In addition, the reductions whic we have proposed in defense-support grants fo many countries can only be maintained if th Development Loan Fund increases its activitie in these countries. This again requires the avail ability of the full $700 million being requested

Contingency Fund

Last year Congress was requested to provid $200 million for the contingency fund and appr priated $155 million. $117 million of this su has had to be allocated already. Allocation o the remaining $38 million has been withheld i order to maintain our capacity during the re of the year to meet unforeseen situations whic

[11] *Ibid.*, Jan. 25, 1960, p. 111.

vould require prompt financial assistance. Thus ar allocations this year have been made to help he Kingdom of Laos resist aggression, to help everal Far Eastern countries recover from a eries of typhoons of virtually unprecedented ury, to fund unforeseen military requirements which could not as in previous years be covered y reprograming of military assistance pipeline unds. The unsettling effects of revolutions and he requirements of newly independent countries re further examples of the types of uses to which he contingency fund has and should be put.

It constitutes the most flexible financial instrument available to the United States Government n promoting its foreign policy under current nternational conditions where friends and allies epeatedly face urgent and unforeseeable needs. The request for $175 million, $25 million less than he request of last year, is no more than barely dequate in the light of the record of recurring alls upon the contingency fund.

V. Administration of the Program

During the past year there have been further harges of inefficient administration of the program. Some of the criticism is undoubtedly justified; some involves mistakes which have been verdramatized; other charges have on investigation proved to be based on unsubstantiated evidence, sometimes provided by disgruntled mployees.

It should not be surprising that some abuses ave occurred in programs involving such large ums of money, administered by thousands of employees in many countries where our own standrds of responsibility for the proper accounting f public funds are not prevalent. Where errors re uncovered, every effort is made to correct hem; we welcome having abuses or reports of buses called to our attention; we encourage constructive suggestions for improving our procelures. It is noteworthy that in the great majority f instances where errors have been publicized, uch errors were first detected by the operating gencies themselves and in most instances had aleady been the subject of corrective or remedial ction. Moreover, I must stress that all the harges, including those we consider most extravgant and least substantiated, cover but a very mall proportion of our total activities.

The Mutual Security Program has been a successful program; its achievements are striking. This could not have been attained without good management. The American people and the thousands of dedicated employees who are administering it in all corners of the globe, frequently at considerable sacrifice, can take considerable pride in their achievements.

Since I appeared before you last year, we have substantially improved the coordinating machinery of the program. In my office, Mr. John O. Bell, as Deputy Coordinator of Mutual Security Programs, has considerably strengthened his staff, and the resulting increase in the effectiveness of the coordinating function is reflected in the current program proposals. Also, the Inspector General and Comptroller, Mr. John E. Murphy, is proceeding to develop his organization and staff. He will appear before you to give a full account of his plans and activities, which should lead to substantial improvement in financial management and to more effective operation of the program.

We are fortunate to have, as the new Director of ICA, Mr. James W. Riddleberger, one of the most senior and most experienced career officers in our Foreign Service. He has had extensive experience, most recently as United States Ambassador to Yugoslavia and Greece, where he had field responsibilities for important mutual security programs.

The appointment by the Department of Defense of a Director of Military Assistance, General W. B. Palmer, should assure more effective planning and implementation of military assistance programs in Washington.

To implement the essential purposes of the amendments of section 523 which were enacted by the Congress last year, the executive branch agencies have undertaken a number of changes in the present programing process. Greater responsibility for military assistance planning and initial programing is being placed on the Unified Commanders and on our Ambassadors. This will permit the development of sound country and regional military assistance programs which will be in accord with the political and economic capabilities of the country and with our own strategic planning. Under these arrangements, the Unified Commander will be able to appraise these programs from an overall military point of view while our Ambassadors will assure integration of

the military programs with other United States activities.

A collateral feature of decentralizing planning and programing in the military assistance program is the need for effective guidance by Washington to the field planners and programers. Procedures are now being developed which should result in furnishing guidance which fully integrates all aspects of United States interests so that plans and programs will be fully responsive to United States foreign policy and strategic objectives. The full effect of the changes which have taken place or are envisaged will be reflected in the fiscal year 1962 program.

V. Importance of the Program

It cannot be repeated too often that the Mutual Security Program is indispensable to the welfare of the American people. We enjoy, by a considerable margin, the highest living standard in the world, under conditions of freedom which are deeply entrenched in both our heritage and the consciousness of our people that their political, social, and economic system is effective and successful.

Our society, and the well-being it has brought with it, is under increasing attack. A principal manifestation of that attack is the constant and persistent attempt of the Communist rulers to alienate other people from us and thus to extend their power. In this endeavor, no technique of persuasion or constraint has been omitted. As the circumstance permits, the Communist assault takes the form of open aggression, of subversion, of psychological or material blandishment.

The peoples of other countries would like for themselves that which we have achieved—prosperity, economic opportunity, a free society, responsible institutions, responsive government. Subject to an unremitting Communist campaign, they look to us for leadership and assistance.

Their own resources are inadequate to assure their protection from the horrors of military attack with the terrible instruments of modern warfare. They often are equally inadequate to make possible acceptable progress toward meeting economic aspirations without sacrificing independence, traditions, liberties.

The Mutual Security Program is a vital element in demonstrating our support for their aspirations, our understanding of their problems, our determination that their societies shall not be undermined and that communism shall not further extend its sway. Our own military and economic strength will fail unless we are prepared to share our knowledge and skills as well as our military and economic plenty.

I repeat again that the program is a successful program. With its help, country after country has been able to resist overt Communist attack and covert subversion. Nations receiving mutual-security assistance have strengthened the confidence of their people in their governments; they have improved living standards; they have built factories and roads and dams which stand as mute but effective testimony to the reality of the promise of greater future abundance; they have improved the education of their people and learned skills which open new horizons and build self-confidence in man's ability to master his future.

The successes to date are but a beginning. As long as the problems persist, we must continue to meet them with the same determination and confidence that has made our country great and has given us both the responsibility and the capacity to protect and help less fortunate mankind. This is the challenge of our generation. We can be proud of our record to date in meeting it. We owe it to ourselves and our children to continue this great endeavor to bring to mankind the blessings of the abundance we have learned to create and the freedom we have learned to cherish. In this way, and only in this way, can we preserve our own security and our own way of life.

Congressional Documents Relating to Foreign Policy

86th Congress, 1st Session

Situation in Vietnam. Hearings before the Subcommittee on State Department Organization and Public Affairs of the Senate Committee on Foreign Relations on the situation in Vietnam. Part 2. December 7 and 8, 1959. 134 pp.

86th Congress, 2d Session

Foreign Service Buildings Act Amendments, 1960. Hearings before the Subcommittee on State Department Organization and Foreign Operations of the House Committee on Foreign Affairs on H.R. 9036 and H.R. 9998, a bill to amend the Foreign Service Buildings Act, 1926, to authorize the construction or alteration of certain buildings in foreign countries for use by the United States, and for other purposes. January 26 and 27, 1960. 40 pp.

alendar of International Conferences and Meetings [1]

ljourned During February 1960

N. ECAFE Committee on Industry and Natural Resources: Seminar on Aerial Survey Methods and Equipment.	Bangkok	Jan. 4–Feb. 5
HO Executive Board: 25th Session	Geneva	Jan. 19–Feb. 1
N. ECAFE Committee on Industry and Natural Resources: 12th Session.	Bangkok	Jan. 23–Feb. 5
ATO Preparatory Conference for Heads of Universities Seminar.	Bangkok	Jan. 25–Feb. 5
N. Trusteeship Council: 25th Session	New York	Jan. 25–Feb. 10
ATT Committee II on Expansion of International Trade	Geneva	Jan. 25–Feb. 12
N. Economic Commission for Africa: 2d Session	Tangier	Jan. 26–Feb. 6
ICAO African-Indian Ocean Regional Air Navigation Meeting	Rome	Jan. 26–Feb. 20
ernational Lead and Zinc Study Group: 1st Meeting	Geneva	Jan. 27–Feb. 3
ernational Sugar Council: Executive Committee	London	Feb. 1 (1 day)
ernational Sugar Council: Special Meeting	London	Feb. 2 (1 day)
er-American Development Bank: 1st Meeting of Board of Governors.	San Salvador	Feb. 3–16
O Asia-Pacific Forestry Commission: 5th Session	New Delhi	Feb. 8–18
mmission for Technical Cooperation in Africa South of the Sahara.	Tananarive, Malagasy Republic	Feb. 15–25
O Cocoa Study Group: Statistical Committee	Rome	Feb. 18 (1 day)
O Group of Experts on Rice Grading and Standardization: 5th Session.	Saïgon	Feb. 18–20
TT Panel on Subsidies and State Trading	Geneva	Feb. 22–26
O Meeting of Government Experts on Use of Designations, Definitions, and Standards for Milk and Milk Products.	Rome	Feb. 22–27
er-American Tropical Tuna Commission: Annual Meeting	San José	Feb. 23–24
ropean National Commissions for UNESCO: Regional Meeting	Taormina, Sicily	Feb. 23–28
CO *Ad Hoc* Committee on Rules of Procedure	London	Feb. 26–28

Session as of February 29, 1960

litical Discussions on Suspension of Nuclear Tests	Geneva	Oct. 31, 1958–
N. Commission on Permanent Sovereignty Over Natural Resources: 2d Session.	New York	Feb. 16–
O Governing Body: 144th Session	Geneva	Feb. 17–
O Consultative Subcommittee on the Economic Aspects of Rice: th Session.	Saïgon	Feb. 22–
AO Special Communications Meeting on European-Mediterranean Rules of the Air and Air Traffic Control.	Paris	Feb. 23–
N. Committee on Information from Non-Self-Governing Territories: 11th Session.	New York	Feb. 23–
N. ECE Conference of European Statisticians: Working Group n Statistics of Financial Assets and Liabilities.	Geneva	Feb. 29–
N. ECOSOC Commission on Human Rights: 16th Session	Geneva	Feb. 29–

heduled March 1 Through May 31, 1960

ernational Bureau of Education: Executive Committee	Geneva	Mar. 1–
CO Council: 3d Session	London	Mar. 1–
ndation for Mutual Assistance in Africa South of the Sahara	Tananarive, Malagasy Republic.	Mar. 2–
N. ECOSOC Latin American Regional Conference on Narcotic Drugs.	Rio de Janeiro	Mar. 3–

[1] Prepared in the Office of International Conferences, Feb. 17, 1960. Following is a list of abbreviations: CCITT, nité consultatif international télégraphique et téléphonique; CENTO, Central Treaty Organization; ECAFE, Economic Commission for Asia and the Far East; ECE, Economic Commission for Europe; ECLA, Economic Commission for Latin America; ECOSOC, Economic and Social Council; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Atomic Energy Agency; ICAO, International Civil Aviation Organization; ICEM, Intergovernmental Committee for European Migration; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; PAHO, Pan American Health Organization; SEATO, Southeast Asia Treaty Organization; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; WHO, World Health Organization.

Calendar of International Conferences and Meetings—*Continued*

Scheduled March 1 Through May 31, 1960—*Continued*

Inter-American Institute of Agricultural Sciences: 5th Meeting of Technical Advisory Council.	Lima	Mar. 7–
IAEA *Ad Hoc* Preparatory Panel on Third-Party Liability for Nuclear Shipping.	Vienna	Mar. 7–
UNICEF Executive Board and Program Committee	New York	Mar. 7–
U.N. ECAFE Conference of Asian Statisticians: 3d Session	Bangkok	Mar. 8–
U.N. Economic Commission for Asia and the Far East: 16th Session.	Bangkok	Mar. 9–
Ten-Nation Disarmament Committee	Geneva	Mar. 15–
FAO European Commission for Control of Foot-and-Mouth Disease: 7th Session.	Rome	Mar. 16–
5th ICAO North Atlantic Ocean Stations Conference	The Hague	Mar. 17–
2d U.N. Conference on Law of the Sea	Geneva	Mar. 17–
ICAO Legal Committee: Subcommittee on Aerial Collision	Paris	Mar. 21–
ICAO Legal Committee: Subcommittee on Hire, Charter and Interchange.	Paris	Mar. 21–
ITU CCITT Working Party 43 (Data Transmission)	Geneva	Mar. 21–
U.N. ECAFE Working Party on Small-Scale Industries and Handicraft Marketing/Canning and Bottling of Fruit and Food in Cooperation With FAO.	Singapore	Mar. 21–
U.N. ECE Inland Transport Committee: Working Party on Construction of Road Vehicles.	Geneva	Mar. 21–
UNESCO Intergovernmental Conference on International Oceanographic Ships: Preparatory Meeting.	Paris	Mar. 21–
GATT Intersessional Committee	Geneva	Mar. 28–
UNESCO Meeting of Administrators on Technical and Vocational Education in Africa.	Accra, Ghana	Mar. 28–
U.N. ECOSOC Commission on Status of Women: 14th Session	Buenos Aires	Mar. 28–
UNESCO Executive Board: 56th Session	Paris	Mar. 28-
IAEA Board of Governors: 16th Session	Vienna	Mar. 29–
International Sugar Council: 5th Session	London	March
UNESCO Intergovernmental Advisory Committee on Extension of Primary Education in Latin America.	México, D.F	March
ICAO Informal Caribbean Regional Meeting on Meteorology	Curaçao	Apr. 1–
ICAO Rules of Air and Air Traffic Control Division/Communications: Informal Caribbean Regional Meeting.	México, D.F	Apr. 4–
U.N. Economic and Social Council: 29th Session	New York	Apr. 5–
International Wheat Council: Special Session	London	Apr. 5–
Executive Committee of the Program of the U. N. High Commissioner for Refugees: 3d Session.	Geneva	Apr. 7–
U.N. ECOSOC Statistical Commission: 11th Session	New York	Apr. 18–
Meeting of Experts on the Inter-American Telecommunications Network.	México, D.F	Apr. 19–
U.N. Economic Commission for Europe: 15th Session	Geneva	Apr. 20–
ICAO Panel of Teletypewriter Specialists: 4th Meeting	Montreal	Apr. 25–
FAO International Meeting on Veterinary Education	London	Apr. 25–
PAHO Executive Committee: 40th Meeting	Washington	Apr. 25–
ILO Petroleum Committee: 6th Session	Geneva	Apr. 25–
U.N. ECOSOC Commission on Narcotic Drugs: 15th Session	Geneva	Apr. 25–
CENTO Ministerial Council: 8th Meeting	Tehran	Apr. 27–
ICAO Informal Southeast Asia Regional Air Traffic Services/Communications Meeting.	Bangkok	April
ICAO Origin and Destination Statistics Panel: 2d Meeting	Paris	April
U.N. Scientific Advisory Committee	New York	April
U.N. ECAFE Committee on Industry and Natural Resources: 4th Session of Mineral Resources Development Subcommittee.	(undetermined)	April
U.N. ECLA Committee of the Whole: 7th Meeting	Santiago	April
NATO Ministerial Council	Istanbul	May 2–
GATT Committee on Balance-of-Payments Restrictions	Geneva	May 2–
U.N. ECOSOC Commission on Commodity Trade: 8th Session	New York	May 2–
13th World Health Assembly	Geneva	May 3–
U.N. Trusteeship Council: 26th Session	New York	May 3–
ICEM Council: 12th Session	Naples	May 5–
FAO Group on Coconut and Coconut Products: 3d Session	Rome	May 9–
GATT Committees I and II on Expansion of International Trade	Geneva	May 9–
UNESCO/ILO Committee of Experts on Neighboring Rights	The Hague	May 9–
UNESCO Symposium on Arid Land Problems	Paris	May 11–
8th Pan American Highway Congress	Bogotá	May 12–
GATT Contracting Parties: 16th Session	Geneva	May 16–
IMCO International Conference on the Safety of Life at Sea	London	May 17–
FAO Study Group on Citrus Fruits	Valencia, Spain	May 23–
ILO Governing Body: 145th Session	Geneva	May 23–
International Tin Conference	New York	May 23–
International Association for the Protection of Industrial Property: 24th Congress.	London	May 28–

International Commission on Irrigation, Flood Control, and Drainage: 4th Meeting.	Madrid	May 30–
International Commission for Northwest Atlantic Fisheries: 10th Meeting.	Bergen, Norway	May 30–
International Statistical Institute: 32d General Assembly	Tokyo	May 30–
SEATO Council: 6th Meeting	Washington	May 31–
International Fisheries Convention of 1946: 8th Meeting of Permanent Commission.	London	May
Pan American Highway Congresses: Permanent Executive Committee.	Washington	May
2d UNESCO Meeting on Salinity Problems	Spain	May

TREATY INFORMATION

U.S. and U.K. Agree To Establish BMEW Station in Great Britain

Press release 69 dated February 17

The United States and the United Kingdom agreed at London on February 15, 1960, to establish a ballistic missile early warning station in the United Kingdom in support of the purposes of the North Atlantic Treaty. Following are the texts of the exchange of notes and the annexed memorandum of understanding which constitute the agreement.

EXCHANGE OF NOTES

The U.S. Ambassador[1] to the British Foreign Secretary[2]

February 15, 1960

Sir: I have the honor to refer to discussions which have taken place between representatives of the Government of the United Kingdom of Great Britain and Northern Ireland and of the Government of the United States of America on the subject of co-operation between the two Governments in setting up and operating a ballistic missile early warning station at Fylingdales Moor, Yorkshire.

I also have the honor to record that, in support of the purposes of the North Atlantic Treaty and of the obligations of the parties thereto, the representatives of the two Governments have agreed to the terms set out in the memorandum annexed hereto regarding the proposed co-operation in setting up and operating a ballistic missile early warning station.

Accordingly, I have the honor to propose that this note and your reply to that effect shall be regarded as constituting an agreement between the two Governments in the terms set out in the annexed memorandum and that such agreement shall have effect from the date of your reply.

Accept, sir, the renewed assurances of my highest consideration.

The British Foreign Secretary to the U.S. Ambassador

February 15, 1960

Your Excellency, I have the honour to acknowledge receipt of your note of today's date with reference to discussions which have taken place between representatives of the Government of the United States of America and of the Government of the United Kingdom of Great Britain and Northern Ireland on the subject of co-operation in setting up and operating a ballistic missile early warning station at Fylingdales Moor, Yorkshire, which note reads as follows:

[See above text.]

I have the honour to inform you that the proposal made in your note is acceptable to the Government of the United Kingdom and to confirm that your note, together with this reply, shall constitute an agreement between the two Governments in the terms set out in the memorandum annexed to your note, a copy of which memorandum is enclosed, such agreement to have effect from the date of this note.

[1] John Hay Whitney.
[2] Selwyn Lloyd.

I have the honour to be, with the highest consideration, Your Excellency's obedient servant.

MEMORANDUM OF UNDERSTANDING

1. The Government of the United States and the Government of the United Kingdom shall co-operate in setting up and operating a ballistic missile early warning (BMEW) station at Fylingdales Moor, Yorkshire.

2. The station shall be commanded by the Royal Air Force. The technical facilities shall be operated by the Royal Air Force in accordance with a joint plan which will be developed and agreed by the Royal Air Force and the United States Air Force.

3. The Government of the United States shall at their expense make available for the station the following types of special equipment:—

(a) long range radar equipment;

(b) data processing equipment;

(c) electronic, internal communications and other related specialized equipment peculiar to (a) and (b);

(d) spare parts peculiar to (a), (b) and (c) in amounts and kinds appropriate to the first five years of operation; responsibility for the cost of the subsequent provision of such spare parts shall be the subject of further agreement between the United States Government and the United Kingdom Government.

4. The Government of the United States shall at their expense be responsible for the installation of the special equipment described in paragraph 3 above and for preparing this equipment for operation as an integral part of both the United Kingdom and the United States BMEW Systems.

5. The Government of the United Kingdom shall at their expense make available for the station:—

(a) land, appropriately prepared sites, buildings, utilities including power plant, and other fixed installations;

(b) all supporting equipment, except as provided in paragraph 3 above;

(c) domestic accommodation (including the necessary equipment, utilities and services) for the United Kingdom and United States personnel concerned to Royal Air Force scales and standards;

(d) support services.

6. The Government of the United Kingdom shall at their expense be responsible for providing communications facilities (including terminal facilities) and services required:—

(a) for use within the station, other than communications equipment supplied under paragraph 3(c);

(b) to connect the station with commercial communications circuits;

(c) to provide links between the station and the appropriate authorities in the United Kingdom.

The Government of the United States shall at their expense be responsible for procuring such further communications services as may be necessary for their own purposes and to meet the requirements of the Government of the United Kingdom for information obtained from other stations of the BMEW System.

7. The cost of operation and maintenance of the special equipment at the station shall be borne by the Government of the United Kingdom for the first five years of operation. Responsibility for this cost thereafter shall be the subject of further agreement between the Government of the United States and the Government of the United Kingdom.

8. Except as otherwise provided in this Agreement, the cost of operation and maintenance of the station shall be borne by the Government of the United Kingdom.

9. The Government of the United States and the Government of the United Kingdom, as appropriate, shall take such measures relating to the establishment and operation of the station as are required to ensure the safety of persons and property.

10. Ownership of all movable property furnished by the Government of the United States for use in the station shall remain with the Government of the United States. The Government of the United States may remove or dispose of this property following the termination of this Agreement.

11. This Agreement shall be subject to revision by agreement between the two Governments and shall, unless previously terminated by agreement between the two Governments, remain in force while the North Atlantic Treaty remains in force.

P.L. 480 Supplemental Agreement Signed by U.S. and Poland

Press release 57 dated February 11

A supplemental agreement for the sale to Poland of 600,000 tons of wheat, having an export market value of $41.5 million, was signed at Washington on February 11 by representatives of the Governments of the United States and Poland.

The agreement supplements one signed by the two Governments on June 10, 1959,[1] in the amount of $44 million and an amendment signed November 10, 1959,[2] in the amount of $11.8 million. These provided for the sale of agricultural commodities, including certain ocean transportation costs.

As in the previous agreements, the United States will sell the commodities for local currency (Polish zlotys) as authorized by the Agricultural Trade Development and Assistance Act as amended (Public Law 480).

[1] For text, see BULLETIN of June 29, 1959, p. 960.

[2] *Ibid.*, Nov. 30, 1959, p. 789.

Current Actions

MULTILATERAL

Automotive Traffic

Convention on road traffic, with annexes. Done at Geneva September 19, 1949. Entered into force March 26, 1952. TIAS 2487.
Notification by United Kingdom of application (subject to reservations and declarations) to: Mauritius and Singapore, May 13, 1959.

Convention concerning customs facilities for touring. Done at New York June 4, 1954. Entered into force September 11, 1957. TIAS 3879.
Accession deposited (with reservation) : Union of Soviet Socialist Republics, August 17, 1959.

Customs convention on temporary importation of private road vehicles. Done at New York June 4, 1954. Entered into force December 15, 1957. TIAS 3943.
Accession deposited (with reservation) : Union of Soviet Socialist Republics, August 17, 1959.

Genocide

Convention on the prevention and punishment of the crime of genocide. Done at Paris December 9, 1948. Entered into force January 12, 1951.[1]
Accession deposited (with reservation) : Finland, December 18, 1959.

Telecommunication

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1952 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960. TIAS 4390.
Notifications of approval: Federation of Rhodesia and Nyasaland, December 19, 1959; Austria, Lebanon, Sudan, January 9, 1960.

BILATERAL

Brazil

Agreement further extending the health and sanitation program agreement of March 14, 1942, as amended and extended (57 Stat. 1322; TIAS 3237). Effected by exchange of notes at Rio de Janeiro December 31, 1959. Entered into force December 31, 1959.

Colombia

Agreement providing a grant to the Government of Colombia for the acquisition of nuclear training and research equipment and materials. Effected by exchange of notes at Bogotá July 31, 1959, and January 11, 1960. Entered into force January 11, 1960.

Poland

Agreement amending the agricultural commodities agreement of June 10, 1959, as amended (TIAS 4245 and 4288), with exchange of notes. Signed at Washington February 11, 1960. Entered into force February 11, 1960.

Thailand

Agreement amending the agreement of July 1, 1950, as amended (TIAS 2095, 2809, 3277, 3740, and 4116), for the financing of certain educational exchange programs. Effected by exchange of notes at Bangkok February 1, 1960. Entered into force February 1, 1960.

[1] Not in force for the United States.

United Kingdom

Agreement establishing a ballistic missile early warning station in the United Kingdom. Effected by exchange of notes at London February 15, 1960. Entered into force February 15, 1960.

Zanzibar

Parcel post agreement and regulations of execution. Signed at Zanzibar October 20 and at Washington December 30, 1959. Enters into force on a date to be mutually settled between the postal administrations of the two countries.
Approved and ratified by the President: February 17, 1960.

PUBLICATIONS

Advisory Committee Reports on Foreign Relations Volumes

Following is the text of the annual report made by the Advisory Committee on the publication of the "Foreign Relations of the United States" following its meeting at Washington November 6–7, 1959.[1]

The Advisory Committee on the publication of "Foreign Relations of the United States" met on November 6 and 7, 1959, in the Department of State. Its work was largely concerned with problems (a) relating to clearance of materials involved in the publication of "Foreign Relations of the United States," and (b) relating to the character of materials that should be included in the "Foreign Relations" volumes.

The Committee spent an entire afternoon reading diplomatic papers about which questions had been raised as to their clearance for publication.

The members of the Committee did not always agree with recommendations or decisions of policy

[1] Members of the Committee representing the American Historical Association are Dexter Perkins, *chairman*, professor of history emeritus, Cornell University; Fred H. Harrington, vice president, University of Wisconsin; and Richard W. Leopold, professor of history, Northwestern University. Clarence A. Berdahl, professor of political science, Southern Illinois University, and Leland M. Goodrich, professor of political science, Columbia University, represent the American Political Science Association. Philip W. Thayer represents the American Society of International Law.

officers, though they recognize that there is room for differences of opinion in matters of this kind, which involve intangible aspects of our relations with other countries. The Committee made recommendations to the Department in all cases where the Committee's judgment differed from that of policy officers.

On the side of technical problems connected with the "Foreign Relations" series, the Committee suggested that more attention be paid to Departmental memoranda as a useful source for an understanding of the formulation of policy. It recognizes the limitations in this field, arising out of the tremendous increase in the number of papers and the consequent increase in the size and number of the volumes.

The Committee suggested that in addition to the index of each volume, an index be prepared for all volumes in a yearly series, or that preferably a cumulative index be provided for a period of years.

The Committee also suggested that at its next meeting, in 1960, attention be given to the problem of principles and procedures of editing and publishing the "Foreign Relations" volumes, and that a discussion take place with regard to the principles of selection in succeeding volumes. It recognizes the difficult problems presented by the growing volume of material to be examined.

The Committee commended the publication of the series entitled "American Foreign Policy: Current Documents" prepared by the Historical Office, containing papers illustrating the scope and substance of our current foreign policy, and urged that these volumes be put on an annual basis and be brought closer to the present.

The Committee commended the work of the Historical Office, and expressed the belief that the burdens thrown upon it justify an increase of personnel to the extent of at least three persons.

DEXTER PERKINS
Chairman, Advisory Committee on "Foreign Relations of the United States"

DEPARTMENT AND FOREIGN SERVICE

Confirmations

The Senate on February 17 confirmed John J. Grady to be Deputy Director for Management of the International Cooperation Administration in the Department of State. (For biographic details, see Department of State press release 80 dated February 23.)

Check List of Department of State Press Releases: February 15–21

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases issued prior to February 15 which appear in this issue of the BULLETIN are Nos. 57 and 58 of February 11.

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64	2/15	Bolivia credentials (rewrite).
65	2/15	Herter: anniversary of independence of Baltic Republics.
66	2/16	Uruguay credentials (rewrite).
*67	2/16	Cultural exchange (U.S.S.R.).
68	2/17	Herter: statement on Mutual Security Program before House Foreign Affairs Committee.
69	2/17	Agreement with U.K. establishing BMEW station.
70	2/17	U.S.–Canada Committee on Trade and Economic Affairs.
*71	2/17	Chapin nominated Ambassador to Peru (biographic details).
72	2/18	Dillon: statement on Mutual Security Program before House Foreign Affairs Committee.
73	2/18	Herter: "National Security With Arms Limitation."
74	2/18	Sixth SEATO Council meeting.
75	2/18	Herter: question-and-answer session at National Press Club.
†76	2/19	Parsons: "The American Role in Pacific Asian Affairs."
†77	2/19	Dillon: "A New Era in Free-World Economic Growth."
78	2/19	President of Greek Parliament visits U.S. (rewrite).

* Not printed.
† Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

Bulletin

Vol. XLII, No. 1081 • Publication 6957

March 14, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 20, 1958).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the Department of State Bulletin as the source will be appreciated.

A New Era in Free-World Economic Growth

by Under Secretary Dillon[1]

I am pleased and honored to be here with you tonight as you conclude your thoughtful examination of our country's role in international economic affairs. Your panel moderators have reported well on your discussions of the United States and its relationship to the European Common Market, the newly developing countries, and the Communist economic offensive. It is against this background that I wish to discuss the prospects for free-world economic growth as we enter the sixties.

The outlook for the sixties has been shaped by forces which gathered momentum during the postwar period and the fifties: by the remarkable recovery of Western Europe and Japan from the ravages of war, by the accelerated expansion of our own economy, by the substantial growth in economic power of the Soviet Union, and by the mounting insistence of hundreds of millions of newly independent peoples on sharing in the material blessings of the modern world.

These developments have set the stage for a whole new era in the sixties. One of its predominant features will be the great socioeconomic revolution which is sweeping the newly developing areas of the free world. This force represents the legitimate aspirations of the free world's underprivileged peoples for a better life. These peoples, numbering more than a billion, hold in their hands the future balance of world power. They wish to live in freedom. But to them, freedom from want is of overriding importance. They are learning that they cannot enjoy their newly won political freedoms without an adequate measure of economic progress. They are exerting tremendous pressure on their leaders to achieve progress through one means or another.

Herein lies a great challenge for us in the sixties—and a great danger as well. The stakes are high—possibly no less than the continued existence of individual liberty on this planet. In cooperation with other free-world industrialized nations, we must assist the newly developing countries in their struggle to improve their people's lot in order that they can maintain their confidence in progress under free institutions. This will require both capital and know-how in substantial amounts throughout the sixties. The alternative is terrible to contemplate. For if these peoples cannot see hope of progress in freedom, they will surely collapse in chaos and disorder and in their desperation they will try the totalitarian route which is being offered them day and night by international communism.

The Soviet leaders are fully aware of the challenge to our system and to theirs which is posed by the aspirations of the newly emerging areas. They have accepted this challenge and are proclaiming their confidence of success in economic competition with our system of free institutions. The present economic strength of the Soviet Union and its continued rapid progress make it clear that this is a most serious challenge. To meet it, we of the industrialized free world must see to it that our own economies continue to grow and strengthen at the same time that we provide a helping hand to our less privileged friends in the newly developing lands.

The industrialized free world enters the sixties in a position of great economic strength. Postwar

[1] Address made before the sixth annual conference on international affairs sponsored by the Cincinnati Council on World Affairs at Cincinnati, Ohio, on Feb. 19 (press release 77).

economic recovery is complete in Western Europe and Japan. Prosperity has reached new, alltime highs in the United States and Canada. The industrialized countries of the free world have the means and the ability to surmount the challenge of the sixties. What is needed is the will and determination to succeed. The prize of success is well worth the effort. For, as the newly developing countries grow in freedom and as it becomes clearer that the way of freedom has been irrevocably chosen by the great majority of the peoples of the earth, the power of their example will prove irresistible—even within the ramparts of the Communist empire. This is the surest way to a secure and lasting world peace, the supreme goal of all mankind.

Need for U.S. Leadership

Although the prospects for a concerted effort to speed the free world's progress are bright, the task is truly formidable. It is one to which we shall have to continue to bring leadership in the sixties, just as we did in the late forties and the fifties.

Now let me explain what I mean by leadership: I most assuredly do not imply superiority or domination. For reasons not of our own making, we had a dominant position in the postwar economy of the free world. But that clearly abnormal period has now passed with the resurging economic strength of our industrialized allies. What we seek today, as in the past, is partnership with our fellow members of the interdependent community of free nations, in which no one nation has a monopoly on human skills, energies, or inspiration. Within the framework of that partnership, however, there is a continuing need for leadership. As the most materially favored member of the free-world community, we must accept this responsibility in meeting the challenge of the sixties.

Let us recall that even before the Second World War ended the United States had taken a leading role in planning for a more effective international economic system than the one that had broken down so disastrously in the thirties. The International Bank for Reconstruction and Development had been agreed upon by 1944. So had the International Monetary Fund. And much preliminary work had been done along lines which shortly thereafter evolved into the General Agreement on Tariffs and Trade.

Although wartime planners for economic peace had done their work well, they underestimated by a wide margin the magnitude of the immediate postwar economic crisis in Europe and Asia, which developed with frightening speed and intensity in 1946 and 1947.

Germany and Japan were occupied, and we had to find and develop policies that would enable the German and Japanese peoples to put their productive genius back to work. Great Britain and our continental allies were also in difficult circumstances. Despite its tremendous productive potential, the European economy was nearing a catastrophic collapse. There seemed to be no prospect that ordinary methods could bring about a recovery in time to avoid chaos.

Bold action was called for. We responded with the Marshall plan, which made an historic contribution to the restoration of economic health and vigor in Western Europe. Our policies in Germany and Japan were remarkably effective in helping to reestablish an economic base that could support democratic institutions. Success came rapidly. By the early fifties, nearly all of the industrialized states of the free world were beginning to push ahead on their own power.

As the need for American aid to Western Europe tapered off, we turned our attention increasingly to the less developed countries, which now receive the great bulk of our assistance. We took an active role in the technical assistance efforts of the United Nations. We created a new lending institution of our own, the Development Loan Fund, to supplement the work of our long-established Export-Import Bank. We participated earlier this month in launching the new Inter-American Development Bank.[2] And we are now taking part, with like-minded countries, in establishing another new institution to be called the International Development Association,[3] which will operate as an affiliate of the World Bank and which is designed to make capital available to the less developed countries on flexible terms.

Postwar Trade Policies

Throughout the period of postwar reconstruction we vigorously put forward our firm belief that liberal international trade policies are essential to free-world economic progress. We have

[2] See p. 427.
[3] See p. 422.

endeavored to demonstrate that belief in our own trade arrangements. Despite some setbacks, our overall record is one of which we can justly be proud. Until fairly recently, however, ours has been a rather lonely position. The industrial nations, with few exceptions, clung to exchange controls and severe quantitative import restrictions to protect their meager foreign exchange reserves. Many of the less developed countries also maintained import restrictions for balance-of-payments reasons. In addition most of them felt that a measure of protectionism would foster much needed industrial growth.

We were tolerant of the trade restrictions applied by our friends and partners during the era of the so-called dollar shortage. But today the situation is very different. Most of the industrial nations have built their gold and foreign exchange reserves to quite satisfactory levels and have made their currencies convertible in international trade. Their manufacturing industries are now generally competitive with ours. Meanwhile their gains in reserves have come largely from U.S. stocks, with U.S. balance-of-payments deficits running at far larger rates than can be long sustained. Throughout the past year, therefore, we have been making it clear that we believe recovery has proceeded to a point where restrictions on trade imposed to meet the financial problems of a decade ago can no longer be justified.

Fortunately the need to do away with discriminations against imports from the dollar area has been recognized by the other industrialized nations and in some of the newly developing areas as well. Action to eliminate discriminations recently taken by Australia, New Zealand, the United Kingdom, Denmark, Sweden, Norway, the Federation of Rhodesia and Nyasaland, the Netherlands, and India has left only a few remaining discriminations against dollar goods in these countries. During the last 6 months, steps to substantially lessen discriminatory restrictions were also taken by France, Germany, Japan, Finland, Turkey, Spain, Singapore, Malaya, Ghana, and British East Africa. This progress continued last month, when Portugal, Kenya, the United Kingdom, Japan, and Italy announced that discriminatory restrictions on many products from the dollar area would be eliminated.

The drive to remove quantitative import restrictions on dollar goods has received so constructive a response and has developed such momentum that we can look forward confidently to further advances in the coming months. We can reasonably hope that by the end of the year discrimination against our exports will be almost a thing of the past.

As a result of these moves, potential markets for many important American products, covering a wide range of our industrial, consumer, and agricultural output, have greatly increased. This is true not only in the industrialized countries but also in the newly developing lands, whose present need is for capital goods but whose peoples will eventually offer a tremendous market for consumer goods.

But the opening of long-closed markets does not in itself guarantee a rise in our exports. It *does* provide the needed opportunity—but it is up to private American business to capitalize on this opportunity. A substantial export surplus has become a vital necessity if we are to continue to carry our free-world responsibilities. We in Government are determined to do everything in our power to help in this export drive.

Accordingly the Department of State is working with the Department of Commerce and other agencies in giving urgent attention to this vital matter. We are studying means of stimulating a greater interest in foreign trade in American business circles and of providing better United States Government facilities, both at home and abroad, to assist American firms in selling their goods and services to foreign countries.

The Department of State has, of course, a very strong interest in this program, and we are seeking ways of improving the operations of our commercial staffs abroad. We also intend to make full use of all the members of our diplomatic missions and consular offices in expanding United States exports. We are giving greater attention to increased United States participation in trade fairs. And we are intensifying our efforts to promote travel to the United States.

Common Market and Free Trade Association

Other problems related to trade have recently been emerging in connection with the European Economic Community, or Common Market, and the European Free Trade Association.

The Common Market will bring together the six countries of France, Germany, Italy, Belgium,

the Netherlands, and Luxembourg in a full customs union, with free trade inside the market and a common external tariff. The Community will also develop other common financial and administrative institutions. The European Free Trade Association, on the other hand, provides for free trade, without a common external tariff, among the seven countries of the United Kingdom, Sweden, Norway, Denmark, Switzerland, Portugal, and Austria.

It is our purpose to work with the countries of both the Common Market and the Free Trade Association to reduce trade difficulties between them and with other countries, to avoid new discriminations against our own exports, and to encourage them to reduce tariffs in accordance with the basic principles of the GATT. In this way we hope also to ease frictions between the members of the two groups.

The problem of world trade goes hand in hand with the complex and difficult problem of stimulating growth in the newly developing countries. This task will require the combined energies and talents of the entire free world for many years to come. The United States cannot provide the needed capital alone. We do not propose to diminish our own role. But Western Europe and Japan, because of the great improvement in their monetary reserves, are now financially capable of mounting a sizable effort which could powerfully assist our own, thereby greatly adding to the overall strength and cohesion of the free world.

There is also the problem of how the great energies of private enterprise—American, European, Canadian, and Japanese—can be mobilized for the development task. Ways must be found to increase the flow of private capital and initiative to the developing countries if the basic free-world resource we call private enterprise is to make its fullest contribution to growth. If we are to have the resources to do these things, our own growth in North America and in Western Europe must be accelerated.

There is still another long-range problem which the industrialized free nations will have to face with growing urgency in the years ahead. It is the acceptance into their own markets of raw commodities produced by the newly developing nations today and of the manufactured goods they will produce tomorrow. None of these nations will be satisfied to remain a one-commodity area forever. They all insist on diversifying their economies and on raising their standards of living by industrialization and by world trade in a variety of goods.

New Approach to Economic Growth

These, then, are the major economic problems facing us as we enter the sixties. We in Government have asked ourselves three questions:

First, how can we help to redirect the emerging trade rivalries within Western Europe into constructive channels which will reinforce, rather than weaken, worldwide trade and will avoid the risk of serious harm to our exports and those of other friendly countries?

Second, how can we help mobilize the energies and resources of the other industrialized free nations to assist the development-hungry areas of the world?

Third, how can we work together to maintain a rapid rate of sustained growth in the economies of the industrialized free nations themselves?

In considering these questions, it is readily apparent that bold action is called for in the sixties, just as it was in the forties. We have responded with a new approach to the task of stimulating free-world economic growth—an approach designed to meet the problems of the future.

This approach, which I had the privilege of outlining last month in Paris[4] before a special meeting of the 20 governments which are members or associates of the Organization for European Economic Cooperation, has three basic elements:

First, the linking of North America with our friends in Europe in terms of broad, coordinated economic policies which would provide for close cooperation in a wide range of matters. This involves reorganizing or reinvigorating the OEEC which was originally established to assist in the most effective use of Marshall plan funds and which has continued to serve as a forum for cooperation in trade and other economic fields. A special committee of four, nominated by the United States, the United Kingdom, France, and Greece and roughly representative of the different economic interests in the OEEC, has been asked to determine how the work of the 18-member OEEC can best be revitalized and broadened through a successor organization in which the

[4] BULLETIN of Feb. 1, 1960, p. 139.

Jnited States and Canada would also become full nembers. OEEC has succeeded outstandingly in ts major tasks, but many of the functions for which it was originally created have now been argely accomplished. It can, however, serve as he foundation for a reconstituted organization geared to the challenges of the sixties. The special committee is now consulting interested governnents and organizations and is expected to report ts preliminary findings to the 20 governments early in April.

The second element of our proposal is the establishment of an interim group where the nations best able to provide bilateral capital assistance to he developing countries can discuss common probems in this field. Such discussions are needed because the urgent task of increasing the overall evel of assistance to the developing countries annot await the formation of the new permanent organization. This interim development assistnce group will include the United States, Belgium, Canada, France, Great Britain, the Fedral Republic of Germany, Italy, Portugal, and a epresentative of the Commission of the European Economic Community. We also hope that Japan vill join in its activities. The first meeting of the group, which is to be held in Washington next nonth, will launch a series of consultations in vhich we will exchange ideas and experiences vith a view to increasing the total amount of ssistance available for development purposes.

The third and final element of our proposal is n examination of the problems of commercial policy to which I have referred in connection with he Six and the Seven. The 20 governments and epresentatives of the Commission of the EEC vhich attended the meetings in Paris last month re participating in a committee on trade to look nto these questions. In establishing the comnittee, it was agreed that it should also keep very nuch in mind the commercial interests of counries not included in the Six or the Seven. In line vith this objective, the Executive Secretary of the GATT is to participate in the committee's discusions, which will begin some weeks hence.

I am pleased to be able to report that our initiative has been well received by our friends and llies. The Paris meetings at which agreement vas reached on these three proposals took place nly a month ago. Yet officials of the participating governments had scarcely returned to their desks before work began in earnest preparation for carrying out the tasks we have set for ourselves. Although we are embarked on long-range projects, we are approaching them with a sense of urgency which the problems of stimulating free-world economic growth in the sixties manifestly require.

We are looking forward with considerable anticipation to the results of these meetings, which have been launched in a genuine spirit of cooperation. We hope and expect that they will result in progress in coping with some of the free world's trade problems. Perhaps most important is the fact that there is now a great awareness in Western Europe of the increasing role which Europe is bound to play in providing assistance to the developing countries, and that there exists a very genuine desire on the part of the other capital-exporting nations to cooperate in this common endeavor which is so vital to the preservation of freedom.

We are indeed coming into a whole new era in free-world economic growth. We are on the threshold of a major breakthrough. If the response of our friends and allies to our initiative of last month is as constructive and as generous as I have reason to believe it will be, then we need have little fear for the future. The great steps we are about to take toward freer trade and accelerated economic progress can carry us forward to new heights of prosperity and well-being as members of a peaceful and secure community of free nations which offers maximum opportunity for every human being to know a better life.

King and Queen of Denmark To Visit the United States

White House press release dated February 24

The White House announced on February 24 that Their Majesties the King and Queen of Denmark have accepted the President's invitation to visit the United States. Their Majesties will be in the United States for a state visit beginning in early October. During the period of their stay King Frederik and Queen Ingrid will officially inaugurate the Danish exhibition "The Arts of Denmark" in New York City.

The American Role in Pacific Asian Affairs

by J. Graham Parsons
Assistant Secretary for Far Eastern Affairs [1]

Mr. Chairman and members of the Wisconsin Bar Association, I wish to express my great appreciation to you for inviting me to be present as a speaker on foreign affairs. It is a privilege to be here before you to present the Department of State's case on matters which concern us all. We in the Department welcome such evidence of interest in the problems we deal with and value the opportunity of discussing with you some of the more pressing of these problems. For our part, we are ever mindful of the fact that "our business is your business" and that the way we handle this business is vital to all of us and to our children. We also realize that, if the policies we advocate and the actions we take do not have the understanding and support of the American people, we may not carry them forward but must find other courses which do have public support.

The Near West

The problems I deal with have to do with the Far East, as your chairman made clear in his introduction. It is a misnomer, however, for us in North America to speak of the "Far East." We Americans, who border on two great oceans, should more properly speak of the Far East as the "Near West." Actually, in the shrinking world of today, it *is* near. You can board an airliner hereabouts and be in Tokyo in 20 hours or so.

Apart from being 180° off course, there is another strike against the term "Far East." It is a European term, and it reminds Asians of the colonial past. That era is gone. Of the 11 Asian countries with which our bureau in the Department deals, 8 are newly independent, while for the 3 who were sovereign before World War II—China, Japan, and Thailand—the circumstances are also vastly different from prewar days. The free peoples of Asia are determined to eliminate the remnants of colonialism, which is still a recent unhappy memory and a sensitive subject. They may not express to us an aversion to the term "Far East," but I mention this as a reminder that the new and promising relationship we have with these Asian peoples requires a continuing sensitive adjustment on all fronts, political, economic, social, and psychological.

The Communist Threat

It is an unfortunate fact that the free countries of Asia have been born, or reincarnated, at a time of crisis in the history of mankind. Nationalism, that is to say, the aspiration of peoples to be themselves, is threatened by its antithesis, international communism. The threat is compounded of course by the Communist propaganda pretense of being the friend and benefactor of nationalism and the foe of "colonialism and imperialism." And yet, in the postwar period, it is the Communists who have taken over 12 countries and the former colonial powers who now have sovereign, equal relations with 33 countries, former dependencies.

Like all new things, these new countries were weak at birth. When our own country adopted its Constitution in 1789, it was no exception. We are all familiar with the difficulties our Founding Fathers faced in knitting together a united nation from 13 individual colonies. But we were protected by oceans and distance and had plenty of time at our disposal.

[1] Address made before the Wisconsin Bar Association at Milwaukee, Wis., on Feb. 19 (press release 76).

In contrast, a glance at a map will show us that the free countries of east and southeast Asia are all islands or peninsulas dispersed around the central land mass of Communist China, whose aim is to dominate and communize them. This is the fateful central fact with which our policy toward the region must deal. It explains why our China policy is intimately bound up with their political and economic futures and with the right of the peoples of this vast region to work out their destinies in freedom.

I have said that many of the new countries were weak at birth. Between them and Communist China there is an obvious imbalance of power which, if not redressed, renders their prospects precarious. This is a matter of great significance for the United States, and it led us to the conviction that our first task in the region is to assist the survival of these countries. That is why there is emphasis on military aspects in our aid programs and posture in the area. Security is the basic essential. First, as a necessary deterrent to Communist attacks, we maintain bases and sea power in the region from which our strength may be quickly projected to meet a variety of situations. Also to promote security we render assistance to local forces through our military assistance program so that these countries may increasingly guard against subversion within and interference from without. In addition we have concluded bilateral mutual defense treaties with some of these countries, including Japan, Korea, the Philippines, and the Republic of China. Finally, just as we and others joined NATO to provide collective security in the Atlantic area, so have we joined with seven other countries to form the Southeast Asia Treaty Organization.

It is sometimes argued that our policy is thus provocative to Communist China. Actually the exact reverse is true. Our collective security structure was developed only *after* unprovoked Communist aggression against Korea. Our mutual defense treaty with the Republic of China was drawn up only *after* Communist China's attacks on Quemoy in 1954. SEATO came into being only *after* the fall of Dien Bien Phu, when Communist armies were threatening to overrun all of southeast Asia.

Going even further back, we were aware of the Chinese Communist hostility toward ourselves and the free nations of Asia even before the Peiping regime came to power in 1949. For example, an article written on November 1, 1948, by Liu Shao-chi, Communist China's Chief of State and second most powerful leader after Mao Tse-tung, declared that the world was divided into two mutually antagonistic camps—the so-called "anti-imperialist" camp headed by the Soviet Union and containing the so-called "peoples' democracies" of Europe and Asia, and the "imperialist" camp made up of the United States and its "stooges." Declaring that these two camps were in "intense conflict" and that neutrality was impossible, he called on the so-called "peoples' democratic forces" in all countries to unite with the Soviet Union in order to "defeat the American imperialist plans for world enslavement." This statement reveals clearly not only that Communist China was implacably hostile to ourselves and to our friends and allies but that the Peiping regime wanted us out of the western Pacific area so that our presence would not block its plans for future expansion.

There has been no change in Communist China's views. During the Taiwan Strait crisis of 1958, Mao Tse-tung said to a Communist news correspondent that it was the task of the people of the world, and particularly the peoples of Asia, Africa, and Latin America, to put an end to what he called "the aggression and oppression perpetrated by imperialism, namely the United States imperialism." Repeatedly Peiping radio called upon us to leave the western Pacific.

Despite longstanding Chinese Communist hostility toward us, we did not automatically adopt a similar policy of hostility toward them. When they came to power, and in an attempt to sound out Peiping's intentions toward us, we left our diplomatic and consular representatives on the China mainland until they were driven out by deliberate Chinese Communist persecution. On January 5, 1950, President Truman made it clear in a public statement regarding Formosa [2] that the United States would not use its armed forces to interfere in the situation and would "not provide military aid or advice to Chinese forces on Formosa." In a press conference on the same day the Secretary of State said: "We are not going to get involved militarily in any way on the Island of Formosa." It was not until after the Communists began their aggression in Korea in June 1950 that President Truman sent the 7th

[2] BULLETIN of Jan. 16, 1950, p. 79.

Fleet into the Taiwan Strait area to protect the flank of the United Nations forces. Military aid to the Republic of China on Taiwan was begun only after the Chinese Communists' intervention in Korea.

This, then, is the origin of the so-called military preoccupation of the U.S. in east and southeast Asia. Out of the fires of Communist aggression in Korea and elsewhere we have forged a protective shield for ourselves and for our free Asian neighbors. It has served them—and us—well these past 5 years. We cannot afford to put it down until the threat to freedom abates.

Improving the Life of the Peoples of the Region

While our first task is contributing to the survival of these new countries, their peoples, like people everywhere, demand more than survival. After ages of relatively static, albeit highly developed, societies, they now have new horizons and they aspire to a better material, cultural, and spiritual life. As they succeed in this objective, both with our help and that of others similarly motivated, so will they consolidate the foundations of their national existence. Therefore, as our second major objective, we seek to promote self-sustaining economies to enable the free countries to achieve the rate of progress they desire without sacrificing human values as do the Communists. To the extent that we succeed in helping to promote the healthy growth of these new countries, the objectives of the international Communists become more difficult to attain.

The Chinese Communists recognize this and seek to prevent stabilization. It is for this reason that all along their borders truculence, aggressiveness, and constant military, economic, political, and psychological pressures are their order of the day—as, for instance, their probing action in the Taiwan Strait in 1958, their support for the Communist attacks in Laos in 1959, their political and economic pressures against Japan in 1958 and 1959, and their incursions along the Indian border in 1959. This is normal Chinese Communist behavior, which experience has taught us to expect regardless of any propaganda from Peiping about "peaceful coexistence" and the "Bandung spirit" and regardless of successive zigs and zags in their tactics of the moment.

A byproduct of such Communist Chinese activities is a growing awareness among Asian peoples of Communist China's motivations. Out of these disillusioning Communist acts and our contrasting positive assistance has come a better understanding of our own motivations, of our willingness and ability to live up to our obligations, and of the contribution U.S. power makes to the security of each Asian nation threatened with Communist aggression. The well-known news correspondent, Ernest Lindley, recently wrote following a tour of free Asia that a pronounced trend is developing there toward a more realistic appreciation for and understanding of the United States and its role in deterring Communist aggression. If such a trend has developed, it could not have happened without the stimulus of policies and actions which we have initiated in the last decade.

What of the Future?

You may agree that "so far so good" but point out that no real solutions of our problems are in sight. Communist China exists and is growing stronger. We cannot afford to ignore or turn our backs on 600 million Chinese. You may suggest we must therefore have a new policy.

Let us take a look at that proposition. First of all, I think that one of our better qualities as Americans is the restless driving urge we seem to have for finding something better. On the other hand, when we are faced with a particularly stubborn problem, we must not let this urge lead us to advocate change just for the sake of change in the wishful hope that all will turn out for the best. Nor should we turn to a new policy on the mere assumption that, since the problem is still with us, the old policy must be ineffective. Before a group of lawyers such as this, I do not need to labor that point. However, having made it, I would like to go on and say that we would be derelict in our responsibility if we did not welcome constructive thinking from whatever quarter, did not search for new and promising ideas, did not keep our minds open, ready to agree when some new policy or course of action was demonstrably better adapted to serve the broad national interest. It is in that spirit that we try to approach this very vital problem of China policy.

A New China Policy?

During the last few months there have been a number of widely publicized proposals from various sources for a new China policy. Here with you I would like to take a look at one or two which

are both carefully prepared and which represent a variant of an often-proposed solution known as the "two Chinas" policy.

The proponents of the "two Chinas" solution argue somewhat as follows:

> U.S. China policy has as its primary objective the containment of Communist China by isolating it from the rest of the world. Such a policy, they say, is unrealistic in that it ignores Communist China's rapid growth into a strong economic and political force in Asia which cannot for long be held back by anything we do from assuming an important international role; it cuts off all contacts between the 600 million people on the China mainland and the people of the United States; it precludes any chance of arriving at a modus vivendi with Communist China in which major issues separating Communist China and the United States may be settled by negotiation; and it is unpopular with our friends and allies. They conclude that the United States should abandon this policy, which, in their opinion, by its inflexibility only drives the Chinese Communists closer into the arms of the Soviet Union, and should explore more dynamic alternatives aimed at the establishment of a basis for negotiating at least some of our difficulties with the Peiping regime. In the meantime, since our support for Taiwan is one of the major sources of tension between Peiping and ourselves, the critics suggest that we should seek to create a situation in which we can maintain our commitments toward Taiwan *as Taiwan*, not as the representative of China, and in which Communist China can be accepted by us as the spokesman of the people on the China mainland.

I would like now to discuss this line of argument, point by point. First, we do not ignore Communist China's growth into a strong economic and political force; as a matter of prudence we must accept this fact and our policy seeks to deal with it. Indeed, it is imperative that all Americans understand that in this new decade of the sixties Communist China may well grow yet stronger and the threat it poses to its neighbors may become still more dangerous. Faced with this prospect our policy must continue to promote the development and strengthening of the free countries, not merely the "containment" of Red China.

Parenthetically, let me note here that the Draconian measures adopted by the Peiping regime to speed its industrialization campaign have unquestionably caused widespread resentment among the Chinese people, especially in the countryside, where most of the population dwells. Although the regime appears to be firmly entrenched, the possibility cannot be ruled out that the pent-up animosities of the people, especially if they should infect the armed forces, might bring about the violent destruction of the regime from within. We have seen before that police states can be brittle, hard without but rotting within. However, the point is that our China policy is not grounded in an expectation of collapse. It would be folly to base our policy on such calculations.

But simply because we cannot prevent Communist China from increasing its power in absolute terms does not mean that we should therefore abandon a policy which seeks to offset such growth; far less should we adopt measures which might abet it. So long as Peiping is dedicated to using its growing strength for aggressive purposes, we must adhere to measures designed to cope with that strength.

To saddle our policy with the responsibility for cutting off contact between the people of mainland China and the people of the U.S. is simply to ignore the record. I have already recalled that the U.S. retained its Embassy and principal consular establishments on the mainland following the imposition of Communist rule but that after some months we were compelled to withdraw them. At the same time many hundreds of private American citizens who had remained on the China mainland after the Communist takeover also found themselves systematically harried until they left, and American-supported institutions were liquidated or taken over by the Communists. Several dozen American citizens were imprisoned, and many others were subjected to other harassments. In short, the Peiping regime from its inception pursued a deliberate policy of obliterating contacts between the American and Chinese people which had been built up over a century. By the fall of 1950 we were engaged in bloody combat with so-called "volunteer" Chinese Communist forces in Korea. Under these circumstances it

was the duty of your State Department to prohibit American citizens to travel in Communist China, where they could obviously enjoy no semblance of protection.

Nevertheless, in the summer of 1957 the Department announced that it would validate passports for travel to Communist China for a substantial group of journalists.[3] This move was made on an experimental basis. While under our laws the reciprocal admission of an equal number of Chinese correspondents cannot be guaranteed in advance, we have made it clear that the Secretary of State would be prepared to ask the Attorney General for waivers in individual cases. No Chinese Communist correspondent has applied for entry into the U.S., and, with one exception, no U.S. correspondent with a validated passport has been granted permission by the Chinese Communists to enter mainland China. It is clear that the whole issue was a typical Communist propaganda hoax and that the Peiping regime was not and is not really interested in an exchange of journalists with us. This, of course, is but one of many indications that the Chinese Communists do not relish objective inquiry, nor do they want contacts except on their terms.

The charge that our China policy precludes any chance of arriving at a modus vivendi with Communist China on major issues through negotiation again turns matters upside down. We have negotiated or attempted to negotiate with the Chinese Communists ever since 1953—or since 1951 if you include the protracted Korean armistice negotiations at Panmunjom. We have had, since 1955, 95 meetings in Geneva and Warsaw at the ambassadorial level. Our experience with these negotiations has demonstrated that the only modus vivendi that could be worked out with the Chinese Communists would be one based on surrender to their terms. These terms, when defined in their simplest form, are that the U.S. get out of the west Pacific and leave the countries of east and southeast Asia to cope with Peiping as best they can, separately and alone. Considering the vast disparity in power and resources between Communist China and the other countries of the region, such a retreat from responsibility on the part of the United States would be fatal. Yet this, in essence, is what Peiping offers us as a basis for negotiation.

[3] *Ibid.*, Sept. 9, 1957, p. 420.

I will not deny that our China policy—at least some fundamental aspects of it, such as our opposition to seating the Peiping regime in the United Nations—has been unpopular in some countries. I do deny that differing views on China policy, for example with India, have been a significant stumbling block in our relations with such countries. Of much greater importance is the fact that countries in east and southeast Asia, who have felt and continue to feel threatened by Chinese Communist power, do not ask us to change our policy. In fact, any hint or rumor that we might retreat from it is a source of profound disquiet to them. It is significant, furthermore, that, in the area with which my bureau deals, 10 of the 13 countries do not recognize Communist China. Only one has recognized that regime since 1950. Moreover, as I have already noted, understanding and appreciation of our China policy has greatly increased in the area, particularly in the past year and a half, as a result of the growing awareness among its governments and peoples of the threat posed by Chinese Communist policy.

The claim that the Government of the Republic of China cannot adequately represent 600 million people on the mainland from whom it has been almost totally cut off for nearly 10 years is a plausible one. On the other hand, the Chinese Communist regime took power by force of arms and maintains itself by the highly developed and ruthlessly applied techniques of a police state. It is the Republic of China which adheres to the traditional values and culture of the gifted Chinese people, and even today I venture to say that it is more representative of the feelings and thoughts of the mass of the people than is the regime in Peiping. Indeed the very bitterness with which Peiping assails Taipei is evidence of the value of an alternate and truly Chinese focus of loyalty to Chinese everywhere, on the mainland, in southeast Asia, and overseas. It so happens that only 3 days ago, in his message on the Mutual Security Program,[4] the President referred to the vigorous and skilled population on Taiwan, which through economic reform and development has achieved a standard of living in Asia second only to that of Japan. Under its leadership, which is derived from all parts of the country, the Republic of China has the potential, as the President

[4] For text, see *ibid.*, Mar. 7, 1960, p. 369.

noted, for a pace and degree of development in excess of that under totalitarian methods.

I would like next to deal briefly with the proposition that U.S. policy has driven the Chinese Communist regime into the arms of the Soviet Union. Again the record refutes the charge. Long before our present China policy was evolved, the Chinese Communists lined themselves up solidly with the Soviet Union. This relationship was formally established by an alliance between Peiping and Moscow concluded in February 1950. At that time we were still maintaining consular establishments on the mainland and had publicly declared a hands-off policy with regard to Formosa. We had no prohibition against travel and no embargo on trade.

The Sino-Soviet alliance was a logical and inevitable consequence of a policy often proclaimed even before the Communists came to power. Mao Tse-tung, as well as Liu Shao-chi, had declared that the world was divided into two camps, socialist and imperialist, and that China would join the socialist camp headed by the Soviet Union. This fundamental decision of foreign policy (which, I repeat, long antedates the current China policy of the U.S.) springs from Mao's deep-rooted Marxist-Leninist convictions. The Chinese Communist Party was organized in 1921 with a Comintern agent named Maring playing a leading role. As late as 1927 directives to the Chinese Communist Party emanated from the Soviet Legation in Peking before it was closed by the Chinese authorities. The party has ever acknowledged Moscow as the head of the socialist camp, it has ever opposed what it calls imperialism, and it denies flatly that a third or neutral road exists.

It is true that recently we have seen some signs of differences between Mao Tse-tung and Khrushchev over interpretations of Communist doctrine and foreign policy tactics. Yet there has never been any convincing evidence that Mao has considered any other course than that of solid alinement with the Soviet Union, which each partner believes to be of great political, military, and economic advantage for his own purpose. In recent years, especially since the first Soviet sputnik in 1957, Mao has talked not just about inevitable Communist victory but has declared that the Communists are even now winning, or, to use his language, "The East wind is prevailing over the West wind." Mao's confidence that the tide of Communist victory is now rushing in cannot be reconciled with any expectation that he is prepared to abandon a policy of alinement with Moscow if an acceptable modus vivendi could be worked out between Communist China and the U.S. Any U.S. effort to this end would inevitably be regarded as evidence of weakness and would be exploited to the utmost.

This brings me to the final argument advanced by these critics of our China policy, namely, that we should create a situation in which we can maintain our commitments to Taiwan as Taiwan and accept Peiping as the spokesman for mainland China. Offhand many people find this idea attractive, because it appears to reflect the situation as it actually exists, with the territory of China for 10 years now divided between two hostile groups. They therefore suggest the best way out of the dilemma, and the danger, posed by this situation is to work out an agreement which formalizes and accepts the *status quo* under appropriate guarantees. A basic weakness of this suggestion is that the "two Chinas" concept in any way, shape, or form is totally unacceptable both to the Republic of China and the Chinese Communist regime. It is in fact the one issue on which they agree. Ironically, one of Peiping's principal propaganda themes is that the United States is attempting to impose just such a solution. The Chinese Communists have made it repeatedly clear in every conceivable way that they will have nothing to do with such a proposal; yet it is constantly put forward by critics of our China policy as though it were a practical basis for negotiating a stable, lasting settlement. To propose as a serious basis for negotiation with Peiping a concept which it has repeatedly and vitriolically rejected and to which our ally, the Republic of China, is bitterly opposed, is merely to expose ourselves to ridicule by the Communists and to mistrust by our ally. We should also stop to consider the principle involved. Despite the disparity of its components, China is a divided country, just as are Viet-Nam and Korea—also Germany. Do we wish to advocate a similar solution repugnant to these allies too?

What we have done, and are doing, with regard to the Taiwan Strait problem, recognizing its inherent dangers, is to concentrate on mitigating them. To this end we have made it clear to Peiping we will not tolerate a solution by force.

When Peiping forced a crisis in late August 1958 in the Taiwan Strait, it saw that we were firm and it left off further probing. At the same time, in the Warsaw negotiations we have called upon the Chinese Communists to cease fire, to renounce force, and to seek a peaceful solution. On the other hand, by means of the joint communique issued by President Chiang and the late Secretary John Foster Dulles on October 23, 1958,[5] the Republic of China made it clear that it would pursue its policies in the area primarily by political rather than military means.

Conclusion

This brings me to my conclusion in regard to China and the Far East—or Near West. It has two parts.

First, I share the conclusion of the Rockefeller Brothers Fund report on U.S. foreign policy:[6] "Toward mainland China the alternatives of policy are, for the short run, lacking in creative possibilities."

Second, I am convinced that our China policy is not a thing which can be dealt with in isolation because it is intimately related to the future of the whole area. Viewed in this light it has demonstrated very real, creative possibilities. Under the policy which we have followed there has been survival, consolidation, and growth in the free countries of Asia, including the Republic of China. Communist aggression in Korea and Indochina has not again been attempted. Communist terrorists no longer run riot in Burma, Malaya, Indonesia, and the Philippines. Communist probes in the Taiwan Strait and Laos were damped down. This has permitted the work of creation to go on in the new countries and the work of sound re-creation to go on in Japan. Our policy and presence *has* redressed the balance in this great area in the critical and turbulent decade of the 1950's and has brought about a measure of stabilization. We must take care now not to unsettle the balance by other alternatives of policy which could under present circumstances have only disastrous possibilities for the cause of freedom.

Finally, under the present alternative of policy, there are further and great creative possibilities for all of these free countries if, in our relations with them, we continue also our policies of collective security, of mutual assistance, of warm and sensitive appreciation of their aspirations and their problems, and of sympathetic understanding of their views of us. To believe less, to believe that a policy which has helped so much to take them and us this far will not take us further, is almost to deny faith in the capacity of free peoples to build their own lives under a free system. However, a great responsibility still rests upon us to endure, to be strong, to be patient, and to devote the resources required to meet this crucial and persistent challenge. I am sure that our country, which has done so much, will not falter.

[5] *Ibid.*, Nov. 10, 1958, p. 721.

[6] *The Mid-Century Challenge to U.S. Foreign Policy*, Doubleday and Co., Inc., Garden City, N.Y.

U.S. Makes Annuity Payment to Republic of Panama

Press release 83 dated February 25

The Department of State announced on February 25 that it has paid the annuity of $1,930,000 due the Republic of Panama in 1960. The remittance of this amount each year is provided for under the terms of treaties between the two countries with respect to the rights, powers, and privileges granted to the United States in the Canal Zone. Under the provisions of the Treaty of Mutual Understanding and Cooperation of 1955,[1] the amount of the annual payment was increased from $430,000 to $1,930,000.

Yugoslav Atomic Energy Officials Visit U.S.

Press release 86 dated February 26

A group of five officials representing the Yugoslav Federal Commission for Nuclear Energy is scheduled to arrive in the United States February 27. During a 3-week stay, the group will travel extensively and will have an opportunity to visit various installations of the Atomic Energy Commission as well as a commercial power plant utilizing atomic energy. They will also discuss with United States officials possible United States–

[1] For text of the treaty and accompanying memorandum, see BULLETIN of Feb. 7, 1955, p. 238.

Yugoslav cooperation in the field of peaceful uses of atomic energy.

The group is headed by Slobodan Nakicenovic, Under Secretary of State in the Federal Commission for Nuclear Energy, and includes Salom Suica, Anton Moljk, Drago Baum, and Zdenko Dizdar.

It is expected that the visit will include stops at Oak Ridge National Laboratory at Oak Ridge, Tenn., the Argonne National Laboratory at Lemont, Ill., the Dresden Nuclear Power Station of the Commonwealth Edison Company at Morris, Ill., the National Reactor Testing Station at Idaho Falls, Idaho, the Lawrence Radiation Laboratory at Berkeley, Calif., and the Brookhaven National Laboratory at Upton, N.Y.

Intelligence Estimating and National Security

by Allen W. Dulles
Director of Central Intelligence [1]

One of the most satisfying aspects of our work in the intelligence field has been the contribution that leaders in the field of science and technology have made to it. I have never known a time when we have called upon any of you and your colleagues in various fields of scientific endeavor without having a wholehearted response, no matter the time, the trouble, and the sacrifice involved. I want to thank you now and, through you, your colleagues in other scientific fields.

In the Central Intelligence Agency we have built up an Office of Scientific Intelligence under the able direction of Dr. Herbert Scoville. It is prepared to meet our growing responsibilities in the field of science and to serve as a point of liaison with you and others in the scientific community.

There is something about intelligence that seems to get into the blood.

My own relationship to intelligence goes back at least 40 years when as a young Foreign Service officer I became involved in intelligence work during World War I—first in Austria-Hungary before we entered the war, then in Switzerland, and later at the peace conference of Versailles in 1919.

Then again I came back to intelligence work for about 4 years in World War II. I shall not soon forget the day back in the spring of 1943 when I secured my first hard evidence of the German development at Peenemunde of its missiles, the V–1 and the V–2. I can truthfully say that my background in missile intelligence goes back about 17 years. It remains our highest priority.

With the end of World War II, I settled back into the practice of the law. But again I could not resist the lure of the trade, and in 1948 I accepted President Truman's invitation to join with two fellow lawyers in preparing, for the National Security Council, a study on the legislation which had set up the Central Intelligence Agency. I refer to the National Security Act of 1947, which also established the Department of Defense, provided for the unification of the military services. and established the National Security Council.

The CIA had then been functioning only about a year, but the question was whether its legislative framework was adequate for the job. In due course, after a year of intermittent work, we submitted our report and considered our job completed. We had, however, committed the unpardonable sin of telling others how a job should be done. I warn you all not to do this unless you are looking for trouble.

Shortly after our report was filed in 1949, that dynamic military man and diplomat, General Bedell Smith, who is today fighting a brave, and

[1] Address made before the Institute of Aeronautical Sciences at New York, N.Y., on Jan. 26.

I believe successful, battle against critical illness, was named Director of Central Intelligence. He dusted off the report of our little committee and in his inimitable manner called the authors of the report on the telephone and told us in no uncertain terms that we should come down to Washington for a few weeks and try to explain what we were trying to say and, if it made sense, help him put it into effect.

We could not fail to respond, and so about 10 years ago I went to work at the Central Intelligence Agency for a 6 weeks' tour of duty. I have been there ever since.

The years since 1947, when the CIA was organized, have hardly been sufficient to put everything in order. In fact, if in intelligence one ever reaches any such state of complacency, it's about time to have one's head examined. I do feel, however, that real progress has been made over the last dozen years, but intelligence will never be an exact science. It deals not only with the hardware of national power and of battle but with the vagaries and uncertainties of human beings and human decisions. There are always scores of intangibles and unpredictables and, in fact, "unknowables."

The best one can do is to see that one's batting average is relatively high, that the predictable and the calculable are stated with the degree of certainty that the evidence permits, and that the best that one can distill out of available facts is brought concisely, objectively, and quickly to those who have the responsibility for policy and action.

Courage is also needed. Intelligence officers are all too prone to write their estimates so that no matter what happens they will have covered themselves. With this I have no patience.

In this intelligence task science, technology, electronics, and the aeronautical and affiliated sciences play a major role. I regret to state that the days are gone where one could place chief reliance on such tools of collection as the wiles of a Mata Hari. The beats of an electronic signal have come into their own. It takes some of the glamour out of the profession, but these scientific techniques do add an element of more certainty. And in the age of jet propulsion and ballistic missiles, speed and precision of reporting are two of the vital elements of our security.

Of course as the means of intelligence collection become more highly mechanized and complicated, the cost of intelligence to the taxpayer, like everything else, is ascending and there is a need constantly to justify the money and the manpower which is put into it. If there is abroad a general impression, as I sometimes read in the press, that the work and cost of intelligence collection must be taken solely on faith and on the claims of the intelligence officer, I should like to scotch any such idea. More and more in the budgetary processes of government we are called upon to justify in detail the work for which the taxpayer is paying by the results we are achieving.

Need for Intelligence Work

It is probably not necessary to explain to a gathering such as this the need for intelligence. Sometimes, however, I do feel that a good share of the public considers intelligence work as a collateral need rather than a direct and vital element of our national security. History, I think, clearly gives the lie to any such conclusion.

Sometime I should like to find the leisure to write a book on the impact of intelligence successes and failures on the course of history. One might start with the Trojan Horse in 1200 B.C., when no one would listen to Cassandra, and with the fatal campaign of the Athenians against Syracuse. Coming down to more modern times, one could debate the consequences of the miscalculation of the Kaiser in 1914, and of Hitler in World War II, and not overlook our own Pearl Harbors.

Then there are the spectacular successes, like those of the highly competent spies of Joshua, who found shelter in Jericho with Rahab, the harlot, and the much more recent feat of British intelligence in deciphering the Zimmermann telegram in 1917, and the American intelligence prelude to the great victory in the Battle of Midway.

In time of war intelligence is often dramatic. In peacetime good intelligence rarely is spectacular. It can and ought to be quiet, inconspicuous, painstaking, but also guiding and safeguarding. It should warn in advance and help to stave off crises. It should also help affirmatively toward the development of a dynamic policy and strategy. If it does its job properly, it may never need to be sensational; it should not be publicized.

It is not my contention that all of the failures could have turned into successes, even if the intelligence had been near perfection and been heeded and even if the political and military leaders of the past who were interpreting the intelli

gence had always had the wisdom of Socrates. Neither situation prevailed.

It is my contention, however, that it is possible somewhat to narrow the range of miscalculation by the continual improving of our intelligence and by perfecting the methods by which we get that intelligence quickly and clearly to those who have the duty of making great decisions. Here we are making real progress.

The experience of World War II taught us something which countries like the United Kingdom and most of the major European powers had learned well before us, namely, that an effective intelligence system is important to national security. In reaching this same decision in 1947 we did not attempt, and, I believe, wisely, to create a unitary system. Rather it is a coordinated, integrated system. The Central Intelligence Agency has large responsibilities for coordinating the overall intelligence effort but does not supplant the work of other agencies.

U.S. Intelligence Board

In the United States Intelligence Board, over which I have the honor to preside, we bring together the intelligence representatives of the Department of State, the Department of Defense, the military services, and others who have capabilities in the collection field or in the analysis of intelligence. Included on the Board are representatives of the Federal Bureau of Investigation, to aid where domestic intelligence matters have international implications, and of the Atomic Energy Commission with its expertise in the nuclear field. Of course we draw upon the great knowledge and experience of private organizations such as those which so many of you represent, and we benefit from the wisdom of our scholastic and educational institutions.

The United States Intelligence Board has the responsibility for analyzing all relevant intelligence collected by, or available to, all agencies of government. The resultant product, in the form of coordinated memoranda and estimates, attempts to cover on a worldwide basis the developing trends, military, political, and economic, which bear upon our national security.

It is our purpose to get our estimates out in time to be of use. Post mortems of lost opportunities are valuable to help us improve for the future; they are of little use in developing a policy for the present.

The responsibility for effecting the coordination of intelligence and issuing the resulting product lies with the Central Intelligence Agency.

Soviet Veil of Secrecy

The analysis of human behavior, the anticipation of human reactions in a given situation, can never be assigned to a computer machine and sometimes baffles the cleverest analyst. We have, it is true, drawn up long lists of crises indicators to be checked off in various situations where belligerent or hostile actions are threatened. These lists, based on long experience, are useful, but the future is rarely like the past; and we only have some 40 years' experience in dealing with international communism of the Moscow variety and 10 years' experience with communism directed from Peiping.

Today in the Soviet Union more information is becoming available to the outside world than was the case in the past. This applies particularly to the development of Soviet peacetime economy, their competence in the various peaceful industrial fields, and their problems in trying to apply Marxist theories in agriculture, which has proved to be a costly and unsuccessful undertaking.

In the military area, however, the Soviets attempt, even today, to maintain as strict a veil of secrecy as in the old times of Stalin. As an exception, from time to time Mr. Khrushchev himself, as he has done in his own recent "state of the nation" address, tells us of his plans. Now he proposes to reduce his military manpower, to phase over from the bomber to the guided missile, and largely to abandon surface naval vessels and emphasize the submarine. Of course we have to analyze his statements in order to determine what part is hard fact and what part is said to beguile us.

The Kremlin's security is good, but a great deal is known to intelligence beyond the trickle of military information that is given out officially. In fact, the greater part of what Khrushchev has now told us about this military planning had been anticipated many months ago, and long since our estimates had been revised to take account of the slackening in aircraft production, the change in emphasis in the navy, and the Soviet's vigorous

and orderly program in the field of guided missiles.

The proposed reduction in military manpower comes somewhat belatedly as far as the Soviet Union is concerned. We ourselves had done this much earlier. For the Soviet it is in part a response to the change in emphasis as a result of new weaponry. It is also calculated to help meet the requirements of their industry for more manpower during this period when the Soviet is feeling the effects of the reduced birth rate of the war years.

Even after these announced reductions, however, we should not forget that the Soviets would retain a formidable balanced military establishment, in no way wholly dependent on their missile strength.

Assessing Soviet Capabilities and Intentions

The stress which Khrushchev has laid on ballistic missiles, or rockets, as he prefers to call them, and the resultant discussion in the Congress and in the press about where we stand in the missile race, has recently directed considerable attention to intelligence estimates. There seems to be some confusion about what I might call the methodology in their preparation. I should like to try to set this straight.

First: Our intelligence estimates do not attempt to give a comparative picture or net estimate as to where we stand vis-a-vis the U.S.S.R. in weaponry. We, in intelligence, are not authorities on American military programs. Naturally our own domestic experience and our knowledge as to the state of the art in this country are useful guides in judging others' capabilities. Our job is to determine where the Soviet Union now stands in the missile and other military fields and where it is going in the immediate future. We are not in the business of passing upon whether there is such a thing as a missile gap.

Second: The analysis of any given Soviet weapons system involves a number of judgments. These include, for example, Soviet capability to produce the system, probable Soviet inventories of the weapons system as of today, the role assigned to this system in Soviet military planning, the requirements the Soviet high command may lay down for the weapon over the future. All these judgments are to some degree interdependent. They lead to a calculation of how far and how soon the Soviets are likely to develop the system. Manifestly this kind of estimating is of the highest importance to our own planning.

Third: It is difficult to predict how much emphasis will be given to any particular weapons system until the research and development stage has been completed, tests of effectiveness have been carried out, and the factories given the order to proceed with serial production. No group of people knows this better than you do as regards our own military program. Consequently in our estimates we generally stress capabilities in the early stages of Soviet weapons development, and then, as more hard facts are available, we estimate their probable programing, sometimes referred to as intentions.

Finally: What I am describing is not a new or novel procedure. Every estimate of this nature regarding military hardware, irrespective of the type of weapon, whether it be a missile, a submarine, or an airplane, goes through this general process of analysis in the intelligence community and has done so for many years. First we assess the Soviet capabilities in each of these fields, and then, as the evidence accumulates and as a pattern begins to emerge, we reach our estimate as to the likely construction program.

Intelligence Revisions Based on Soviet Cutbacks

The fact that in the later years of development we can crank into our estimates more of the elements of programing and future intentions than we can at the beginning does not indicate any change in the intelligence approach to the problem. It merely means that our sources of information in one year may permit of a judgment which is always needed by the planner but one which could not have been properly made earlier.

For example, in 1954 the Soviets began production of a heavy bomber comparable to our B–52. Every indication pointed to their having adopted this plane as a major element of their offensive strength and to an intention to produce these planes more or less as fast as they could. Based on our knowledge of their aircraft manufacturing industry we projected a buildup of this bomber force over the succeeding several years. We were certain that they had the *capability* to produce the numbers forecast; the available evidence indicated that they had the *intention* to translate this capability into a program.

But we naturally kept a close watch on the actual events. Production did not rise as rapidly as it could have. Evidence accumulated that the performance of the plane was less than satisfactory. Meanwhile we noted progress in their missile testing program. At some point, about 1957, the Soviet leaders decided that the heavy-bomber production should be held down to a minimum. In those days some people in this country were writing about the coming bomber gap.

As we gained evidence of that change in program, it became incumbent on us to revise our intelligence estimates, and we did so. The capability remained; the policy and hence the intent to go forward with the heavy bomber changed. This Khrushchev himself has now announced in his recent speech. In the field of naval surface forces and conventional submarines, Soviet policy went through a similar cycle in order to prepare for more sophisticated types of submarines. This has recently been alluded to by Khrushchev but was known to the intelligence community for many months.

No Tendency To Underestimate Soviet Progress

In citing these examples of cutbacks in the numbers of Soviet bombers and submarines, I do not wish to leave any impression that I think the Soviets will do the same in the long-range missile field. During this past year they have been carrying on an orderly program of flight-testing their missiles which permits certain conclusions to be drawn. Most recently, presumably for the propaganda effects they hope to gain and because they were running out of homeland space in which to test, they have advertised wherein the Pacific they proposed to target the tests of their space vehicles, or rockets, for the month ending February 15. Thus they flex their muscles in public, whereas in the past they have been doing it without publicity. They wish to call attention to the strength of their sinews.

There is no tendency in the intelligence community to underestimate Soviet sophistication in any phase of the missile field or the progress they have been making in developing their long-range missile system. We have not downgraded this system this year as contrasted with last year.

However, it would be just as wrong to let the Soviet talk the world into believing that the ICBM, powerful as it is, constitutes the only armament with which a country should equip itself. I believe that the Soviet are trying to take advantage of the publicity they have achieved with respect to both missile and space programs in order to make the unsophisticated believe that these achievements mean overall superiority in the military field. Such superiority, in the opinion of more qualified experts than I, does not exist.

Responsibility for Interpreting the Facts

In viewing problems such as the Soviet strategic attack capabilities with missiles and other weapons, we in the intelligence community are keenly aware of the impact which intelligence estimates may have upon our own military posture and our military programing. I can assure you that in preparing them we look to nothing but the available facts, disregarding all outside considerations, political, budgetary, or other. At times we have overestimated. At times we have underestimated. But looking back on the last few years with the benefit of hindsight, the record of estimating is creditable. Facts have no politics. We are diligently seeking and interpreting the facts without fear or favor.

As regards the influence of a particular department or service on our estimative process, I recognize that we are all human and have our prejudices and our strong convictions. I can also assure you that we have such a level of responsibility representing a broad cross section of both civilian and military participation on the United States Intelligence Board that there is little opportunity for parochial interests or considerations of any member to influence the final product. But if any member of the Board has a dissenting view on any issue, that member is entitled to express it as part of the estimate so that the policymaker can judge of it as such.

Feature of Accessibility

In addition to reaching sound intelligence judgments on the crucial issues of the day, the other major problem of the intelligence officer is to get the reports and estimates before the decision-making echelons of government. In our own Government this means, of course, that the intelligence goes primarily to the President, the Secretary of State, the Secretary of Defense, and the National Security Council. The latter is, in effect, the Pres-

ident in Council, to which the Central Intelligence Agency is under law primarily responsible. Of course, as we see today, intelligence is also made available to the Congress, as appropriate, to help in the legislative and appropriation processes.

Past history, as I suggested at the outset, is replete with instances where the intelligence was available but the intelligence officer fumbled in the handling of it, as well as instances where the intelligence was properly reported but not heeded.

At various times over the past 40 years I have served in one capacity or another under every President of the United States, beginning with Woodrow Wilson, and generally in some capacity related to intelligence. One of the great and continuing advantages we have enjoyed over our history is that we have been led by men who have come to their high positions deeply imbued with the democratic processes. As a part of this, our leaders have generally made themselves readily accessible to information from their subordinates and their intelligence officers. This feature of accessibility has been maintained by our Presidents despite the fact that the burdens on the Executive have been multiplying astronomically and the complexity of the problems before them, particularly in the field of our foreign relations, has been augmenting in geometric ratio. At the same time the period within which decisions have to be made has been steadily decreasing.

During the last 10 years that I have been in Washington, I have served under two Presidents of differing political parties. There never has been a time when the Director of Central Intelligence has not been able to get to the President in a matter of minutes on any issue that he considered of immediate importance.

Nor is this access limited to crises situations. On a daily basis we in the intelligence community have an opportunity to lay before the President and the leading officials of the Department of State, the Department of Defense, and the National Security Council our appraisals of unfolding events of policy significance. This is supplemented by weekly oral briefings which I give to the National Security Council, covering important current events or dealing with the intelligence background of policy decisions that may be before the Council. Issues in our foreign relations these days do not always wait for the painstaking preparation of elaborate staff papers.

We have no reason to complain that we lack adequate opportunity to market our product. We have every incentive to see to it that our product contributes to our national security.

Facing the Relentless Soviet Competition

Those who work on intelligence are sometimes viewed as prophets of gloom. Personally I am an optimist but also, I trust, a realist, as are my associates in the intelligence community. Sometimes we do have to be the harbingers of ill tidings because it is our duty to report on activities in other lands which might detrimentally affect our own national security.

Today we have on the world scene the Soviet Union, Communist China, and the Communist bloc with their dynamic industrial, economic, and military programs, spearheading and directing Communist parties, Communist intrigues, and Communist subversion on a worldwide basis. We must recognize that we face stern and relentless competition.

It is Khrushchev's present expressed intention that this should be competition short of all-out war, but whatever may be our views of his intentions, certainly no other "holds" will be barred. When he speaks of coexistence, it is the type of coexistence that will leave the Soviet free to press forward on their mission to communize the world.

Today in the free world we have a great lead in our industrial and economic strength. It is more than twice that of the Soviet Union; and if we include our allies in the free world, while adding to the Soviet the present potential of Communist China and the satellites, the lead of the free world is still greater.

On the other hand, the peoples in the Communist nations are being driven to work harder to make their Communist system a universal one than we are working to assure ourselves that these aggressive and subversive aims are defeated.

So far the Soviet have shown great ability to channel their growing resources into fields which build up their national power, including their military might. Their leaders have succeeded in persuading their people to be content with a much smaller share than we of consumers goods and of what we consider the essentials to a well-rounded life, so that they, the Soviets, can build up their heavy industry, turn out military hardware, and have plenty left over to support international con

unism. We believe that the value of their total nual military outlay approximately equals our wn.

There is no cause, therefore, for us to view the ture with any easy complacency.

Most of you are in a field of work which is osely related to our national security. You have keen knowledge both of our own potential and of the nature of the Soviet competition. As you return home from this conference, I trust that you will review the problems we all face in the world of today and in the light of your own experience see whether you can come up with any further ideas as to how we can better prepare ourselves to meet the Soviet challenge within the framework of our free institutions.

THE CONGRESS

oreign Relations Aspects of Pilotage Requirements r Oceangoing Vessels on the Great Lakes

Following is a statement made by Ivan B. hite, Deputy Assistant Secretary for European fairs, before the Merchant Marine and Fisheries bcommittee of the Senate Committee on Interte and Foreign Commerce on February 23 at a aring on S. 3019, a bill "to provide for certain otage requirements in the navigation of United tes waters of the Great Lakes, and for other rposes," together with the texts of aide memoire d supplementary letters exchanged between the ited States and Canada.

ss release 79 dated February 23

SATEMENT BY MR. WHITE

My name is Ivan B. White, and I am Deputy sistant Secretary of State for European Affairs. appreciate having this opportunity to appear re in support of S. 3019.

The principal purposes of this bill are to establ pilotage requirements for oceangoing vessels their navigation of United States waters of the eat Lakes and St. Lawrence River and to prole a basis for a regulated pilotage system to et those requirements. Provision is made in the l for the coordination of this system with a regulated pilotage system of Canada in the Great Lakes waters of that country. As defined in the bill, the term "Great Lakes" means the Great Lakes, their connecting and tributary waters, the St. Lawrence River as far east as St. Regis, and adjacent port areas.

The foreign relations aspects of this bill are very important. Aside from any other considerations, the fact that United States–Canadian boundary waters are involved creates a practical necessity of having pilotage systems in the respective waters of the two countries which can be coordinated with each other. Moreover, previously proposed pilotage legislation has been the subject of protests from the Governments of Canada, Norway, Sweden, Denmark, Western Germany, the Netherlands, Ireland, Italy, and the United Kingdom.

Consequently, and in line with the indicated desire of this committee and in view of the amendment to H.R. 57 proposed by the House Committee on Merchant Marine and Fisheries, the Department entered into a joint effort with the Coast Guard and the Department of Commerce to develop a draft bill that would take into consideration the various factors which have a bearing on

the pilotage of oceangoing vessels in the Great Lakes.

The Bureau of the Budget has contributed effective assistance and advice in the development of the bill, and contacts outside the Government having practical experience in pilotage and shipping matters have furnished exceedingly helpful information. Testimony presented at past congressional committee hearings on previously proposed legislation has likewise been most useful.

Development of the Bill

In the course of the development of the bill, constructive discussions took place between United States and Canadian officials. These discussions resulted in general agreement on desirable legislation as well as on other requirements for coordination between the two countries to provide for compatible systems of Great Lakes pilotage. The results of these discussions are indicated in an exchange of aide memoire and supplementary letters, copies of which are being made available for the information of the committee.

S. 3019 is the outcome of these interdepartmental activities as well as the discussions with Canadian officials, in the course of both of which Admiral Richmond [1] made important contributions. My statement will deal chiefly with the general background of the bill and features of the bill that have a bearing upon foreign relations.

The bill takes into consideration the testimony of a majority of the witnesses at House committee hearings last year that provision should be made for a regulated system of pilotage. Most of these witnesses favored the establishment of a joint United States–Canadian commission for this purpose. However, differing ideas were expressed as to the functions and powers of such a commission.

A study which preceded the development of S. 3019 likewise indicated that regulation by some authority is a necessary concomitant of compulsory pilotage in order to assure the availability of an adequately organized group of experienced pilots who will render required services in an efficient manner at rates and terms which will be fair and equitable for all concerned. The experience of states on the seacoast over a period of many decades has demonstrated the need for such regulation, not only in the interest of efficien and economy but of marine safety as well.

In the case of the Great Lakes, the necessi for regulation is further emphasized by the ne for coordination between the United States a Canada in pilotage matters. Canada has a syst of pilotage which is regulated by the Departme of Transport of the Canadian Government, and regulated system of pilotage for United Sta waters will evidently be required to provide effective basis for coordination which will provi for equitable participation by United States a Canadian pilots in the pilotage of ocean vess navigating the lakes, as well as for compatibil in regulations and operational matters on b sides of the boundary.

In the development of the provisions of the b with regard to the regulation of pilotage, have had the benefit of expert information f nished by Captain Hilton Lowe, president of t American Pilots Association. As a result of t material obtained from this and other sourc including our Canadian friends, provision h been made in S. 3019 for a regulated syst which incorporates essential elements of so State pilotage systems, with such adaptations are required to meet conditions on the Great La and coordination with the regulated system Canada. Among these adaptations is the desig tion of the Secretary of Commerce as the regu tory authority instead of a commission, proposed by witnesses at earlier congressional co mittee hearings. In this regard, a study indica that regulation by a joint United States–Can commission would apparently necessitate a c siderable revision of existing jurisdictional rangements as well as other adjustments in t country and possibly in Canada. In additio treaty or other form of intergovernmental ag ment would have to be negotiated for the est lishment of such a commission.

Moreover, problems would have to be solved regard to powers, procedures, and mechani whereby the commission would reach decisi and deal with other matters which might inv differing conditions or problems in the countries.

Under these circumstances, a lengthy period research, discussion, and negotiation would in likelihood be necessary as a preliminary to rea ing an agreement that would provide for effective joint commission. Taking all th

[1] Vice Adm. Alfred C. Richmond, Commandant, U.S. Coast Guard.

tors into consideration, coordination with nada through separate but compatible regu-ions in each country was found to offer a more ctive basis for a workable solution of regula-y problems within the foreseeable future.

gulatory Authority of U.S. Secretary of Commerce

With respect to the regulation of pilotage in United States waters of the Great Lakes by a ited States commission, the conclusion was ched that the establishment of an independent ncy of this kind would not be in accord with deral administrative and organizational policies l would prove to be operationally more cum-some than regulation within the Department Commerce, which is already charged with re-nsibilities in regard to the economic aspects shipping. Furthermore, the Secretary of Com-rce is also charged with the direction and ervision of the wholly Government-ned Saint Lawrence Seaway Development poration.

n order to minimize adjustments and conflicts departmental jurisdiction, the regulatory hority of the Secretary of Commerce does not end to the issuance, revocation, or suspension navigation or pilot licenses issued by the Coast ard. Jurisdiction in regard to such licenses ains with the Coast Guard.

The Secretary of Commerce is authorized by 3019 to register holders of appropriate master's nses issued by the Coast Guard for pilotage on Great Lakes, on terms and conditions estab-ed by his regulations. Canada has indicated t it would be prepared to register Canadian ts on a similar basis and to allow United tes registered pilots to serve in Canadian ters on vessels to which the bill is applicable if adian registered pilots are similarly allowed serve on such ships in United States waters. e bill provides for such reciprocity, and, for purpose of providing for the equitable ticipation of United States and Canadian reg-red pilots, the Secretary of Commerce is horized to arrange with the appropriate ncy of Canada, which is understood to be the artment of Transport, for the number of ts who shall be registered in each country.

A basic pattern similar to that of State pilot-systems and to elements of the Canadian tage system has been followed in provisions of the bill for the creation of a pool or pools by a voluntary association or associations of United States registered pilots to provide the arrangements and facilities necessary for the efficient dispatching of vessels and the rendering of pilotage services required by the bill. The Secretary of Commerce is empowered to authorize the formation of such pools and to make regulations for their operation and to conduct inspections. He may require the pooling to be coordinated on a reciprocal basis with similar arrangements in Canada.

The Secretary of Commerce is authorized and directed to establish, by regulations, fair and equitable rates, charges, and any other conditions or terms for services performed by registered pilots to meet the provisions of the bill, giving due consideration to the public interest and the reasonable cost and expense of facilities and arrangements required for the efficient performance of those services. The Secretary is authorized to arrange with the Canadian agency for the establishment of joint or identical rates, charges, and any other conditions for registered pilots' services in the waters of the Great Lakes.

Any written arrangements between the Secretary of Commerce and the Canadian agency under the provisions of the bill would be subject to the concurrence of the Secretary of State.

Designation of Foreign Vessels and Restricted Waters

The bill provides that the President shall designate the United States waters of the Great Lakes in which registered vessels of the United States and those foreign vessels designated by him shall be required to have in their service a registered pilot to direct the navigation of the vessel, subject to the customary authority of the master. The purpose of this provision is to require ocean-going vessels of all nationalities to have in their service a pilot having adequate knowledge and experience of navigational difficulties in the waters so designated. These will be the waters more commonly referred to as "restricted waters."

The term "registered vessel of the United States" applies to American vessels engaged in foreign trade, as distinguished from vessels proceeding under "enrollment" when engaged in domestic trade between United States ports. Enrollment is also permitted under existing law for United States vessels engaged in foreign trade

between United States and Canadian ports on the Great Lakes and St. Lawrence River. With some exceptions, enrolled vessels navigating United States waters of the Great Lakes and St. Lawrence River must have a complement of officers holding Coast Guard pilot licenses for those waters.

The term "those foreign vessels designated by him" as used in section 3 of the bill is intended to mean in general all foreign ships operating in ocean routes. If the wording of the bill had been specifically limited to such ships, additions to or exceptions needed to deal with special cases that may have to be considered in the light of actual operations would not be possible without amending legislation. The provisions of the bill will not be applicable to Canadian "Lakers" and "Canalers" operating within the confines of the Great Lakes and St. Lawrence River so long as reciprocity is extended to enrolled United States vessels, as is indicated by another provision of the bill.

The bill provides that the designation of foreign vessels and restricted waters shall be made with due regard to the public interest, the effective utilization of navigable waters, marine safety, and the foreign relations of the United States.

In United States waters of the Great Lakes not designated by the President (i.e. so-called open waters of the lakes) vessels to which the bill is applicable will be required to carry a United States or Canadian registered pilot unless there is in the service of the vessel an officer who is qualified for the navigation of those waters and licensed by the Coast Guard or certificated by the appropriate agency of Canada, namely, the Department of Transport. It has been indicated in the aide memoire exchanged between the two Governments that the Canadian Government is prepared to recommend to Parliament the enactment of such legislation as may be considered necessary to provide for the certification of officers of the regular complement of oceangoing vessels who hold an appropriate master's license, who have had actual experience in the navigation of the open waters of the lakes through which these vessels will proceed, and who have a knowledge of the practice of following separate upbound and downbound courses on the lakes. In addition, such officers would be required to evidence by examination a working knowledge of the Gre Lakes rules of the road and a sufficient comma of English to use a radiotelephone.

Admittedly, the navigation of the open wat of the Great Lakes does not present the difficult or require the same degree of specialized lo knowledge and experience as the navigation of stricted waters. Informants who have had pr tical experience in the navigation of the Gr Lakes have expressed the opinion that the fo going qualifications and requirements would sufficient from the standpoint of marine safety

The foregoing statement will indicate the g eral features of the bill which have a foreign lations aspect. Provisions of the bill in reg to administration and enforcement have not b covered since some of these functions fall wit the province of the Secretary of Commerce w others are the responsibility of the Coast Gua both of whom are represented at today's heari

In conclusion, I should like to add that Department of State supports this bill as p viding a workable basis for establishing requi ments and arrangements for the pilotage of oc vessels navigating the United States waters of Great Lakes which could be coordinated wit Canadian system of pilotage and would give consideration to marine safety and other fact involved. Experience may show that amendme may be required in the future, but in the me time the provisions of the bill will provid reasonable basis for meeting the urgent need filling the void in pilotage requirements for shipping to which the bill will be applicable.

EXCHANGE OF AIDE MEMOIRE AND SUPP MENTARY LETTERS

U.S. Aide Memoire of February 19

In discussions of Great Lakes pilotage between Un States and Canadian officials following the receip the Canadian Aide-Memoire of September 11, 1959,[2] Canadian officials were informed of the provisions proposed draft bill on the subject which was prep by representatives of interested agencies of the ernment of the United States.

The principal purposes of the proposed bill were t tablish certain pilotage requirements for the naviga of United States waters of the Great Lakes and th Lawrence River by vessels operating in ocean routes

[2] Not printed.

from the Great Lakes, and to provide a basis for a ılated system of pilotage to meet those requirements. rovision was made for coordination of this pilotage em with a Canadian system on the basis of recipro- recognition of, and equitable participation by, United tes and Canadian pilots in the pilotage of the vessels vhich the bill would be applicable. These pilots would registered by an appropriate agency of their re- tive countries, and vessels to which the proposed bill ıld be applicable would be required to have registered ts in their service for the navigation of designated ted States waters. It is the understanding of the ted States Government that Canada would also desig- Canadian waters in which the services of registered ts would be required.

ı undesignated waters of the Great Lakes, the ves- to which the proposed bill would be applicable ld be required to have on board either a registered t or an officer of their regular complement who would ualified for the navigation of the undesignated waters licensed either by the United States Coast Guard ıe appropriate agency of Canada.

s a result of the above-mentioned discussions, the adian representatives indicated that their Govern- t would be prepared to submit to Parliament legis- e proposals which would effect coordination on the e-indicated basis, if the United States enacted legis- n along the lines of the proposed draft bill. It is United States Government's understanding that pro- n would be made to restrict the registration of adian pilots to persons, other than members of the ılar complement of a vessel, who hold a master's cer- ate or equivalent license, unlimited as to tonnage, ed by the Department of Transport to authorize gation of the Great Lakes and pilotage service on es specified therein.

ıe term "equivalent license" as used in the proposed ed States draft bill would mean a license issued to a Lawrence River pilot to authorize the navigation of e portions of the river specified therein. In this ection Canadian officials explained that St. Lawrence r pilots are specially trained for pilotage in the icts for which they are licensed, and that they are required to obtain a master's certificate, although e do hold such a certificate. Under the proposed co- nated arrangements, Canada would register the er of a St. Lawrence River pilot's license solely for age service on that river.

ıe Canadian officials further indicated that the ıdian Government would include in proposed legis- n such provisions as might be considered necessary uthorize the Department of Transport to issue certifi- s qualifying for the navigation of the "open" (i.e. signated) waters of the Great Lakes those officers he regular complements of ocean vessels who meet ollowing requirements:

) Hold an appropriate certificate of competency as er, valid for voyages in any part of the world and d or recognized by the country in which the ship gistered.

) Having the experience of at least two round trips, in the preceding two years, in the "open" or undesignated waters of the Great Lakes where the vessel will be operating.

(3) Possess a working knowledge of the Great Lakes rules of the road as evidenced by examination.

(4) Have proficiency in the English language, to be tested also by examination, sufficient to make effective use of the radio-telephone.

(5) Have knowledge of the practice of following separate up-bound and down-bound courses on the Great Lakes, giving due regard to the suitability of such courses for deep draft vessels.

The substance of the proposed draft bill which was the subject of the above-mentioned discussions is now embodied in a bill introduced in the Senate as S. 3019. The Government of the United States would appreciate being informed as to the accuracy and applicability of the foregoing understanding of the intentions of the Canadian Government with respect to S. 3019.

DEPARTMENT OF STATE,
Washington, February 19, 1960.

Canadian Aide Memoire of February 19

An Aide-Memoire presented to the Canadian Embassy in Washington, by the Department of State on February 19, 1960, outlines the manner in which Canadian and United States legislation aimed at establishing certain pilotage requirements for the navigation of the waters of the Great Lakes and the St. Lawrence River could be co-ordinated if the legislative proposals contained in a Bill known as S–3019 are approved by the United States Congress. In the event that that Bill does become law in the United States, it is the intention of the Canadian Government to submit to the Canadian Parliament, legislative proposals which would effect just such a co-ordinated pilotage regime in the Great Lakes in the manner indicated in the United States Aide-Memoire.

THE CANADIAN EMBASSY
Washington, D.C., February 19, 1960.

Canadian Letter

1746 Massachusetts Ave., N.W.,
WASHINGTON 6, D.C.
February 19, 1960.

DEAR MR. WHITE: The agreement of the Canadian Government which is transmitted concurrently herewith to the terms of the Aide-Memoire in regard to the bill on Great Lakes Pilotage is subject to the following reservation. Section 9c of the bill does not fully meet the Canadian requirements in that lake vessels which occasionally operate through the St. Lawrence to the Maritime Provinces in the Canadian Coastal Trade are not covered. The Canadian Government considers that these vessels should be covered and understands that the United States officials concerned with this matter are sympathetic to the Canadian position.

During discussions between the appropriate officials of our two Governments, the United States officials indicated that the position of such vessels could be protected under Section 3a by not being designated pursuant to the Section.

We would appreciate receiving assurance that in the event S-3019 is enacted into law, the Department of State will recommend to the President that Canadian vessels operating primarily on the Great Lakes and St. Lawrence River which make occasional trips to the Canadian Maritime Provinces in the Canadian Coastal Trade be excluded from the designation of foreign vessels to be made by the President under Section 3a of the said bill.

Yours sincerely,

S. F. RAE,
Minister.

IVAN B. WHITE, Esq.,
Deputy Assistant Secretary,
Bureau of European Affairs (EUR),
Department of State,
Room 6164, New State Building
Washington, D.C.

U.S. Reply

FEBRUARY 19, 1960

DEAR MR. RAE: With reference to your letter of this date in which you request assurance that, in the event S. 3019 is enacted into law, the Department of State will recommend to the President that Canadian vessels operating primarily on the Great Lakes and St. Lawrence River which make occasional trips to the Canadian maritime provinces in the Canadian coastal trade be excluded from the designation of foreign vessels under Section 3(a) of the said bill, I take pleasure in stating that the Department will make such a recommendation.

Sincerely yours,

IVAN B. WHITE
Deputy Assistant Secretary of State
for European Affairs

The Honorable
SAUL F. RAE,
Minister,
Canadian Embassy,
Washington, D.C.

President Seeks Authority for U.S. Participation in IDA

Following is the text of the President's letter transmitting to Congress a special report on the proposed International Development Association prepared by the National Advisory Council on International Monetary and Financial Problems including, in an annex, a report of the Executive Directors of the International Bank and the Articles of Agreement of the IDA (H. Doc. 345, 86th Congress, 2d session).

White House press release dated February 18

To the Congress of the United States:

I herewith submit to the Congress the Articles of Agreement for the establishment of the International Development Association.[1] I recommend legislation authorizing United States membership in the Association and providing for payment of the subscription obligations prescribed in the Articles of Agreement.

The Association is designed to assist the less-developed countries of the free world by increasing the flow of development capital on flexible terms. The advisability of such an institution was proposed by Senate Resolution 264 of 1958. Following this Resolution, the National Advisory Council on International Monetary and Financial Problems undertook a study of the question. The Council's conclusions and the favorable response of representatives of other governments who were consulted during the course of the study have resulted in the Articles of Agreement which satisfy the objectives of that Resolution and which I am submitting herewith. The accompanying Special Report of the Council describes the Articles in detail.

We all know that every country needs capital for growth but that the needs are greatest where income and savings are low. The less-developed countries need to secure from abroad large amounts of capital equipment to help in their development. Some part of this they can purchase with their current savings, some part they can borrow on conventional terms, and some part is provided by private foreign investors. But in many less-developed countries, the need for capital imports exceeds the amounts they can reasonably hope to secure through normal channels. The Association is a multilateral institution designed to provide a margin of finance that will allow them to go forward with sound projects that do not fully qualify for conventional loans.

In many messages to the Congress, I have emphasized the clear interest of the United States in the economic growth of the less-developed countries. Because of this fundamental fact the people of our country are attempting in a number of ways to promote such growth. Technical and economic aid is supplied under the Mutual Security Program. In addition, many projects are assisted by loans from the Export-Import Bank, and we also participate with the free world countries in the International Bank for Reconstruction and Development which is doing so much to channel funds, mainly from

[1] For background, see BULLETIN of Feb. 29, 1960, p. 345.

rivate sources, to the less-developed areas. /hile we have joined with the other American :epublics in the Inter-American Development ;ank, there is no wide international institution ·hich, like our Development Loan Fund, can elp finance sound projects requiring a broad exibility in repayment terms, including repay-ıent in the borrower's currency.

Conceived to meet this need, the International)evelopment Association represents a joint de-ermination by the economically advanced ›untries to help accelerate progress in the less-eveloped countries. It is highly gratifying that › many other free world countries are now ·ady to join with us in this objective.

The Association is a cooperative venture, to be nanced by the member governments of the In-rnational Bank. It is to have initial subscrip-ons totaling one billion dollars, of which the ıbscription of the United States would be $320.29 illion and the subscriptions of the other eco-›mically-strong countries would be $442.78 illion. The funds made available by these coun-ies would be freely convertible. The developing ›untries would subscribe $236.93 million, of which n per cent would be freely convertible. Members ould pay their subscriptions over a five year ›riod and would periodically re-examine the lequacy of the Association's resources.

The International Development Association us establishes a mechanism whereby other na-›ns can join in the task of providing capital to e less-developed areas on a flexible basis. Con-ibution by the less-developed countries them-lves, moreover, is a desirable element of this w institution. In addition, the Association may cept supplementary resources provided by one ember in the currency of another member. ıus, some part of the foreign currencies ac-ired by the United States primarily from its sales of surplus agricultural commodities may be made available to the Association when desirable and agreed to by the member whose currency is involved.

The Articles of Agreement give the Association considerable scope in its lending operations so that it can respond to the varied needs of its members. And because it is to be an affiliate of the International Bank, it will benefit from the long and successful lending experience of the Bank. By combining the Bank's high standards with flexible repayment terms, it can help finance sound projects that cannot be undertaken by existing sources. With a framework that safeguards existing institutions and traditional forms of finance, the Association can both supplement and facilitate private investment. It will provide an extra margin of capital that can give further momentum to growth in the developing countries on terms that will not overburden their economies and their repayment capacities.

The peoples of the world will grow in freedom, toleration and respect for human dignity as they achieve reasonable economic and social progress under a free system. The further advance of the less-developed areas is of major importance to the nations of the free world, and the Association provides an international institution through which we may all effectively cooperate toward this end. It will perform a valuable service in promoting the economic growth and cohesion of the free world. I am convinced that participation by the United States is necessary, and I urge the Congress to act promptly to authorize the United States to join with the other free nations in the establishment of the Association.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
February 18, 1960.

Furthering Peace and Stability in the Middle East

FOURTH REPORT TO CONGRESS ON ACTIVITIES UNDER THE JOINT RESOLUTION TO PROMOTE PEACE AND STABILITY IN THE MIDDLE EAST[1]

PRESIDENT'S LETTER OF TRANSMITTAL

To the Congress of the United States:

I am transmitting herewith the fourth report to the Congress covering activities through June 30, 1959, in furtherance of the purposes of the joint resolution to promote peace and stability in the Middle East. This report supplements earlier reports forwarded to the Congress.[2]

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 15, 1960.*

TEXT OF REPORT

CHAPTER 1—PROGRESS IN FURTHERANCE OF THE RESOLUTION

JULY 1, 1958, TO JUNE 30, 1959

House Joint Resolution 117,[3] approved by the President March 9, 1957, continues as an important expression of U.S. policy toward the Middle East and as a repository of powers indispensable to U.S. efforts toward enhancing the stability and progress of this vital area of the world. The existence of the resolution remains as clear notice to the world and particularly the leaders of international communism that the United States retains a vital interest in the preservation of the independence and integrity of the nations of the Middle East. It authorizes U.S. cooperation with and assistance to nations of the Middle East in development of their economic strength and i rects continuance of U.S. support to the Unit Nations Emergency Force. Under the resolutio provisions the U.S. Government continues act pursuit of policies aiding world peace and t security of the United States.

The period covered by this report has witnes a considerable metamorphosis of the situation p vailing in the Middle East, particularly among Arab countries of the area. The progress re tered under the resolution can be understood the light of significant developments which h taken place.

June 30, 1958, found the Arab countries of Middle East approaching a period of acute cris By the late spring and early summer of 1 tension had increased sharply following the t break of armed insurrection in Lebanon. May 22, 1958, the representative of Lebanon in United Nations had requested an urgent meeti of the Security Council to consider the Leba situation which in the following weeks contin to deteriorate. The United Nations recogni Lebanon's difficulties by prompt dispatch o military observer team, later substantially n larged, to report on the extent to which infiltra was affecting the struggle in Lebanon.

Subsequently events occurred elsewhere in h Near East which underscored the seriousnes of the threat against Lebanon. On July 14, 1 the Government of Iraq was overthrown a violent coup and a new revolutionary reg established. At the same time a plot to overth the Government of Jordan came to light. In face of this situation the President of Leba with the support of the Lebanese Cabinet re quested immediate military assistance from the

[1] H. Doc. 342, 86th Cong., 2d sess.; transmitted on Feb. 15, 1960.

[2] For texts of previous reports, see BULLETIN of Aug. 26, 1957, p. 339; Mar. 31, 1958, p. 524; and Feb. 2, 1959, p. 169.

[3] For text, see *ibid.*, Mar. 25, 1957, p. 481.

United States. This call was answered promptly. On July 15 U.S. troops landed in Lebanon.

In a message to Congress on July 15, 1958,[4] the President declared that, given the developments in Iraq, measures previously taken by the United Nations Security Council had not been sufficient to preserve the independence and integrity of Lebanon. The President declared that U.S. forces were being dispatched to protect American lives and by their presence to assist the Government of Lebanon in the preservation of Lebanon's territorial integrity and independence.

In an address to the Nation[5] explaining U.S. actions the President noted that the Congress had in the Middle East resolution declared that—

> the United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East.

The President stated further:

> I believe that the presence of the U.S. forces now being sent to Lebanon will have a stabilizing effect which will preserve the independence and integrity of Lebanon. It will also afford an increased measure of security to the thousands of Americans who reside in Lebanon.

The President also announced that the United States would immediately report its action to an emergency session of the Security Council and that we would support in the United Nations measures which would enable the U.S. forces to be withdrawn promptly. After the Soviet Union vetoed a resolution which asked the Secretary General to take measures to insure the independence of Lebanon, the Secretary General announced that on his own authority under the United Nations Charter he intended to develop the United Nations Observation Group further.

On August 8 an emergency special session of the General Assembly was convened to discuss the developments in the Middle East. President Eisenhower delivered a major address to the Assembly.[6] During this session, the 10 Arab member States presented a joint resolution[7] as their solution to the problem of Lebanon and Jordan. This resolution emphasized the need for respect for each other's systems of government and nonintervention in each other's internal affairs. Their resolution was adopted unanimously on August 21.

Following the establishment of a negotiated peace between the warring factions in Lebanon and the election of a new government by the Lebanese Parliament, U.S. forces commenced their withdrawal which was completed by October 25, 1958. The performance of our Army, Navy, and Marine forces while on Lebanese soil was exemplary. Their stay of over 3 months passed without serious untoward incident of any kind. British forces requested by the Jordanian Government to assist it in maintenance of Jordanian independence had all been returned to British bases by November 2, 1958.

The stabilizing result envisioned by the President at the time of the U.S. troop landings in Lebanon proved in fact to be an enduring reality in the ensuing months. The government chosen by the Lebanese Parliament in the autumn of 1958 continued in power in Lebanon on June 30, 1959. The increased stability and security enjoyed by the Governments of Lebanon and Jordan has been accompanied by substantial abatement of area tensions. Lebanon's relations with the United Arab Republic have substantially improved over what they had been a year previously. Similarly there has been a growth toward more normal relations between the United Arab Republic and Jordan. This growth in mutual respect and understanding among Arab countries has been accompanied by an increased awareness on their part of the dangers of international communism.

While there has been subsidence of the tensions and conflict which in mid-1958 facilitated possible aggression by international communism, yet the forces of the latter have not abated their efforts to find areas of the Middle East where they can establish a firm footing. The Communists continue vigorous political activity within several of the Middle Eastern countries under conditions allowing them differing degrees of latitude. The Sino-Soviet bloc persists in attempts to draw the nations of the Middle East into its orbit by a variety of means, including extensive propaganda, trade agreements, and military and economic assistance programs. In general, however, Communist advances have been slight and apparent gains of influence in some parts of the region have been offset by losses elsewhere.

In the meantime, it can be stated that the bold action taken in Lebanon by the U.S. Government has had a salutary effect in impressing the peoples

[4] *Ibid.*, Aug. 4, 1958, p. 182.
[5] *Ibid.*, p. 183.
[6] *Ibid.*, Sept. 1, 1958, p. 337.
[7] For text, see *ibid.*, Sept. 15, 1958, p. 411.

of the Middle East and elsewhere that the United States is a tried and true friend of nations seeking to preserve their independence and integrity. Our forces answered the appeal of the Government of Lebanon promptly and when their mission was accomplished they were withdrawn, proving false beyond doubt the charges of "imperialism" so glibly disseminated by international communism. While this successful U.S. action was not directly based on the joint resolution, it was fully in accord with that resolution and in particular with the resolution's declaration that—

> the United States regards as vital to the national interest and world peace the preservation of the integrity and independence of the nations of the Middle East.

Chapter 2—Economic and Military Assistance

The resolution authorizes the President to cooperate and assist any nation in the general area in the development of its economic strength. During the period under review the United States continued the fulfilling of commitments for economic aid made during the fiscal year 1957 pursuant to section 3 of the resolution. This, however, was but a small part of the economic cooperation with the nations of the area.

In the regular administration of the Mutual Security Act, substantial funds were used in a manner to carry out the purposes of that act and which also furthered those of the Middle East resolution. Defense support aid was extended to some of these countries. Much of the local currency counterpart was used toward meeting the budget cost of the armed forces, while the foreign exchange received in this aid was an important factor in enabling them to continue their development of economic strength. The aid extended to other Middle Eastern countries as special assistance has also furthered economic growth and the maintenance of stability. There seems to have been increased awareness by some of the governments in the area of dangers in cooperating with international communism, and aid from the United States has supported them in maintaining their independence, as well as in their economic growth.

Chapter 3—Action Pursuant to Section 4 of the Resolution

Section 4 of the resolution states that the President should continue to furnish facilities and military assistance to the United Nations Emergency Force in the Middle East with a view to maintaining the truce in that region. On May 26, 1959, the United States transmitted to the Secretary General a check in the amount of $4,943,146 for this purpose, representing the U.S. assessment for 1959. This check brought the total U.S. contributions to the United Nations Emergency Force, both assessed and voluntary, to $30,887,559 through fiscal year 1959.

In addition, from the establishment of United Nations Emergency Force, to June 30, 1959, the United States has made available to the force on a reimbursable basis supplies, equipment, and services valued at $6,800,893. As of June 30, 1959, the United Nations has compensated the United States for this material and services to the amount of $6,760,584.

Congressional Documents Relating to Foreign Policy

86th Congress, 2d Session

Agreement on Importation of Educational, Scientific, an Cultural Materials. Hearing before the Senate For eign Relations Committee. January 26, 1960. 52 pp

Foreign Service Annuities. Hearing before the Subcom mittee on State Department Organization and Foreig Operations of the House Committee on Foreign Affair on S. 1502, a bill to provide for adjustments in the an nuities under the Foreign Service Retirement and Dis ability System. January 28, 1960. 8 pp.

The Agreement on the Importation of Educational, Scien tific, and Cultural Materials. Report to accompany Ex I, 86th Cong., 1st sess. S. Ex. Rept. 1. February 8, 1960 4 pp.

Broadcasting Agreements. Report to accompany S. Ex. A 82d Congress, 1st session, and S. Ex. G, 85th Congress 1st session. S. Ex. Rept. 2. Feb. 11, 1960. 9 pp.

Fifth NATO Parliamentarians' Conference. Report o the U.S. Senate delegation to the 5th conference o members of parliaments from the NATO countries hel at Washington November 16–20, 1959. S. Doc. 82 February 11, 1960. 13 pp.

Parliamentary Conferences With Mexico. Report to ac company H. J. Res. 283. S. Rept. 1082. February 11 1960. 2 pp.

United States–Latin American Relations. Problems o Latin American Economic Development. A study pre pared at the request of the Subcommittee on America Republics Affairs of the Senate Committee on Foreig Relations by the University of Oregon, Institute of In ternational Studies and Overseas Administration, pu suant to S. Res. 330, 85th Cong., and S. Res. 31, 86t Cong. No. 6. February 11, 1960. 140 pp. [Committe print]

United States Foreign Policy. U.S.S.R. and Easter Europe. A study prepared at the request of the Senat Committee on Foreign Relations by a Columbia-Harvar research group under the administration of Columbi University, pursuant to S. Res. 336, 85th Cong., an S. Res. 31, 86th Cong. No. 11. February 14, 1960. 8 pp. [Committee print]

leeting the Economic Problems f the Americas

emarks by Robert B. Anderson ecretary of the Treasury [1]

First of all, I wish to express our deep appre-iation to the Government and people of El Salva-or who are making us feel so much at home in is beautiful capital city. It is a great pleasure or me to have the opportunity of meeting once gain with so many of my colleagues from Latin merica in one of the American Republics. We re here for an important purpose; yet I am happy at, thanks to the excellent work which was done advance—first, by the Negotiating Committee nd, more recently, by the Preparatory Commit-e—we have not found our task so burdensome at we were unable to enjoy the delightful cli-ate and the gracious hospitality of our hosts.

This meeting is truly a momentous one for all f our countries. The inauguration of the Inter-merican Development Bank brings into being n institution that should become a dramatic in-rument of responsible and progressive financial operation among the American Republics. It as a little more than 2 years ago that many of s were present in Buenos Aires when the Con-erence of Ministers of Finance and Economy dopted the resolution which has led directly to is meeting. As time is measured in interna-onal affairs of this nature, we have moved viftly.

We have also moved with sure and careful eps. In the United States we were able to sub-it the agreement creating the Inter-American ank to the Congress of our country in full con-dence that we were presenting a workable blue-rint for a dynamic institution through which the countries of the Americas could further implement and improve their mutual cooperation in the field of economic development. I am sure this has been true for each of you in presenting the agreement to your own governments.

The agreement, as you know, is drawn in broad terms in order to leave a large measure of flexibility in carrying out the day-to-day work of the institution. This, I believe, is the most practicable way to insure that the institution can be a vital force in a changing world.

The Washington meeting which negotiated the agreement creating the Bank [2] is a good augury for the future. Many divergent points of view were brought to the meeting; yet, above all, there prevailed a spirit of effective cooperation and of mutual devotion to a basic common goal which has produced an instrument well conceived to help meet the economic problem of the Americas.

From all of this we can see that, while the road ahead is not easy, there is sound cause for optimism. The creation of the Bank does not in itself solve any of the problems with which we are all so concerned; yet it does provide us with an effective framework in which men of good will can join with the confidence that through the exercise of thought, diligence, and mutual respect they can achieve great benefit for their peoples.

In the context of these thoughts, let us look at a few of the problems of the future. It is essential, in my opinion, that the Bank should build its organization with great care. We should be concerned as much with the position and prestige which this Bank will enjoy in the decades ahead as with the speed with which it undertakes its first operations. It is a matter of overriding importance that through sound planning and sound operations this new institution should earn the confidence of the credit markets of the world.

Another matter to which the most careful attention must be given from the outset is that of relationships between the Bank and other institu-

[1] Made at the fourth plenary session of the first meeting f the Board of Governors of the Inter-American Devel-pment Bank at San Salvador on Feb. 8. For back-round, see BULLETIN of Feb. 15, 1960, p. 263, and Feb. 9, 1960, p. 344.

[2] *Ibid.*, May 4, 1959, p. 646.

tions, both national and international, which are already providing capital for the development of the Americas. A deep concern of many of our representatives, both in the Negotiating Committee and in the Committee of Twenty-one, which endorsed the idea of establishing this Bank, was that the total of public and private funds available for development in Latin America should be increased. Nothing would be gained, they wisely pointed out, if lending by the Inter-American Development Bank should simply replace lending by existing national or international institutions. It should be emphasized in this regard that, in addition to its own lending operations, the Bank can serve valuably by assisting in the sound planning of projects and by helping to develop other appropriate sources of financing for such projects.

We shall have to marshal all our experience and ingenuity in order for the Bank to realize this aim—that of effectively augmenting and not merely supplanting existing resources. The same spirit of cooperation and good will which characterized the preparation of the agreement for the Bank will, I am sure, enable us to arrive at a solution which is both acceptable and fruitful to our member countries.

It should be recognized that, by its very charter, the Bank is a pioneer in one kind of economic-development financing. The Bank's Fund for Special Operations represents the first concrete realization by a multilateral organization of an approach to development which is sure to be extremely significant.

As we envision the future of the Bank, we can see many other questions to which it must devote its attention. It is obvious, for example, that the Bank should so shape its policies and practices that it will help attract a far greater volume of capital investments of all kinds into Latin America than it would be able to finance solely with its own resources. The total capital sought for industrialization, agricultural expansion and diversification, transportation, power, and other purposes is many times the figure represented by the capital of this Bank. A major share of the capital needed must be raised within the area where the investment is to take place. The Bank should always be alert to assist in stimulating the formation and channeling of internal capital into useful, productive development projects.

In considering the formation of capital, it is imperative that we not overlook the necessity of linking economic stability with dynamic growth. The rate of economic development in the future for all countries depends on a high rate of saving and capital formation in the present. The will to save must not be impaired. The need for a stable currency cannot be ignored in any country, either industrialized or less developed.

Mr. Chairman, there are many other problems which could be discussed. However, it seems more fitting that today we should give our main attention to the fact we are meeting on a most auspicious occasion. We are celebrating an outstanding event in the economic history of the world.

The noble purpose for which we are assembled has great promise of good for all the people of the Americas. In the spirit of devotion and mutuality which has characterized the Bank, we will go forward together to realize these objectives in ever-increasing measure.

Fifth Anniversary of CENTO

Following is an exchange of messages between Secretary Herter and M. O. A. Baig, Secretary General of the Central Treaty Organization, Ankara, Turkey.[1]

Press release 82 dated February 24

Secretary Herter to Mr. Baig

February 19, 1960

In extending best wishes to CENTO on its fifth anniversary I would like to re-emphasize the importance which the United States attaches to the Central Treaty Organization. Today, as in the past, CENTO is a voluntary association of free states organized in accordance with the United Nations Charter for the maintenance of their independence. The contribution which CENTO is making to the peace and stability of the Middle East area is an inescapable fact. Although not a member of CENTO, the United States has supported the organization's efforts from its inception and not quite a year ago joined with Iran, Pakistan and Turkey in separate bilateral executive agreements[2] directed toward promotion of

[1] CENTO, formerly the Baghdad Pact, celebrated its fifth anniversary on Feb. 24.

[2] For text, see Bulletin of Mar. 23, 1959, p. 417.

ıeir collective security. In further evidence of s continuing support, the United States has con-ıibuted significantly toward strengthening the ›int economic and defensive capabilities of ENTO's regional members. To the extent that ›propriations and its global commitments allow, ıe United States will continue to work with ENTO in promoting the security and economic ell-being of its member states.

r. Baig to Secretary Herter

FEBRUARY 22, 1960

On behalf of CENTO I thank you, Mr. Secre-ry of State, for your message of good wishes ı this organization. It is the known support of ıe United States of America to the cause of free-ım everywhere that has done so much to main-in it. This region moreover has benefited ;eatly from the generous contributions of your ıuntry in material help and technical knowledge. ENTO looks forward to lasting peace and se-ırity in close and confident association with the nited States.

urrent U.N. Documents: Selected Bibliography [1]

curity Council

ıtter Dated 3 February 1960 From the Acting Perma-ıent Representative of Israel Addressed to the Presi-lent of the Security Council. Concerning Action on the Israel-Syrian Frontier. S/4264. February 4, 1960. 5 pp.

neral Assembly

›plication of the State of the Cameroons for Admission :o Membership in the United Nations. Letter dated January 13, 1960, from the Prime Minister of the State ›f the Cameroons addressed to the Secretary-General. A/4357. January 20, 1960. 1 p.

›plication of the State of the Cameroons for Admission :o Membership in the United Nations. Letter dated January 26, 1960, from the President of the Security Council to the Secretary-General. A/4358. February 1, 1960. 1 p.

cond United Nations Conference on the Law of the Sea. Synoptical table concerning the breadth and juridical status of the territorial sea and adjacent zones. A/CONF. 19/4. February 8, 1960. 14 pp.

Second United Nations Conference on the Law of the Sea. Supplement to Laws and Regulations on the Regime of the Territorial Sea (United Nations Legislative Series). A/CONF. 19/5. February 10, 1960. 36 pp.

Economic and Social Council

Economic Commission for Latin America. The Influence of the Common Market on the Economic Development of Latin America. E/CN.12/C.1/13. April 28, 1959. 80 pp.

Economic Commission for Africa. Problems Concerning Techniques of Development Programming in African Countries. Prepared by the Secretariat for the meeting of experts on techniques of development programming in Africa. E/CN.14/42/Add. 1. December 18, 1959. 109 pp.

Programme Appraisal 1959–1964: Work of the United Nations in the Economic, Social and Human Rights Fields. E/3260/Rev. 1. December 21, 1959. 80 pp.

[1] Printed materials may be secured in the United States ›m the International Documents Service, Columbia Uni-›sity Press, 2960 Broadway, New York 27, N.Y. Other ›terials (mimeographed or processed documents) may consulted at certain designated libraries in the United ıtes.

TREATY INFORMATION

U.S. and Australia To Expand Joint Efforts in Space Research

Press release 85 dated February 25

The Department of State and the National Aeronautics and Space Administration announced on February 25 that Australia and the United States have signed an agreement which will extend the cooperative efforts of the two nations in space research. The agreement, which was signed at Canberra on February 26, provides for the continued operation of tracking stations established during the International Geophysical Year and the establishment of tracking facilities for Project Mercury and deep-space probes.

Operation of the minitrack station and the Baker-Nunn camera optical tracking stations at Woomera will be continued. Tracking stations at Perth and Woomera will be established for Project Mercury, the U.S.-manned satellite program. A tracking facility also will be established at Woomera for deep-space probes.

Under the terms of the agreement the United States will provide electronic equipment; Australia will provide sites for the tracking facilities and assist in their operation and maintenance. Australian scientists will be able to use each established station for independent scientific activities when the stations are not being used for a U.S. program.

Current Actions

MULTILATERAL

Cultural Relations

Agreement on the importation of educational, scientific, and cultural materials, and protocol. Done at Lake Success November 22, 1950. Entered into force May 21, 1952.[1]
Senate advice and consent to ratification given: February 23, 1960.

Narcotics

Protocol amending the agreements, conventions, and protocols on narcotic drugs concluded at The Hague January 23, 1912 (38 Stat. 1912), at Geneva February 11, 1925,[1] February 19, 1925,[1] and July 13, 1931 (48 Stat. 1543), at Bangkok November 27, 1931,[1] and at Geneva June 26, 1936.[1] Signed at Lake Success December 11, 1946. Entered into force December 11, 1946. TIAS 1671 and 1859.
Notification from the Federal Republic of Germany of application to: Land Berlin, August 12, 1959.

Protocol bringing under international control drugs outside the scope of the convention limiting the manufacture and regulating the distribution of narcotic drugs concluded at Geneva July 13, 1931 (48 Stat. 1543), as amended (61 Stat. 2230; 62 Stat. 1796). Done at Paris November 19, 1948. Entered into force December 1, 1949. TIAS 2308.
Notification from the Federal Republic of Germany of application to: Land Berlin, September 12, 1959.

Property

Convention for the protection of industrial property. Signed at London June 2, 1934. Entered into force August 1, 1938. 53 Stat. 1748.
Adherence effective: San Marino, March 4, 1960.

Sugar

International sugar agreement of 1958. Done at London December 1, 1958. Entered into force January 1, 1959; for the United States October 9, 1959. TIAS 4389.
Ratifications and acceptances deposited: Japan, May 1, 1959; Nicaragua, September 14, 1959.

Telecommunication

North American regional broadcasting agreement and final protocol. Signed at Washington November 15, 1950.[2]
Senate advice and consent to ratification given: February 23, 1960.

Trade and Commerce

Declaration on the provisional accession of Israel to the General Agreement on Tariffs and Trade. Done at Geneva May 29, 1959. Entered into force October 9, 1959; for the United States December 19, 1959. TIAS 4384.
Signature (subject to ratification): Luxembourg, January 18, 1960.

Wheat

International wheat agreement, 1959, with annex. Opened for signature at Washington April 6 through 24, 1959. Entered into force July 16, 1959, for part I and parts III to VIII, and August 1, 1959, for part II. TIAS 4302.
Acceptances deposited: Korea, February 23, 1960; Haiti, February 24, 1960.
Accession deposited: Venezuela, February 11, 1960.

[1] Not in force for the United States.
[2] Not in force.

BILATERAL

El Salvador

Agreement relating to the guaranty of private inve ments. Signed at San Salvador January 29, 19 Enters into force on date of United States note knowledging receipt of notification from El Salva that the agreement has been ratified in accordance w its constitutional procedures.

Mexico

Agreement concerning radio broadcasting in stand broadcasting band, and six annexes. Signed at Méx January 29, 1957.[2]
Senate advice and consent to ratification given: Feb ary 23, 1960.

United Kingdom

Agreement relating to the extension to certain Brit territories of the income tax convention of April 1945, as modified (TIAS 1546, 3165, and 4124). Effec by exchange of notes at Washington August 19, 19 and December 3, 1958. TIAS 4141.
Notification by United Kingdom of completion, on before December 31, 1958, of measures necessary give effect to agreement in: Cyprus, Federation Nigeria, Montserrat, and St. Vincent.

Agreement amending the agreement of January 30 February 3, 1958 (TIAS 3989), relating to the sale the United Kingdom for sterling of fruit and fi products. Effected by exchange of notes at Lon January 28 and February 4, 1960. Entered into fo February 4, 1960.

Agreement amending and extending the agreement December 30, 1958 (TIAS 4155), for the establishm and operation of rawinsonde observation stations Jamaica and on Grand Cayman Island. Effected exchange of notes at Washington February 15, 1 Entered into force February 15, 1960.

DEPARTMENT AND FOREIGN SERVICE

Designations

Charles P. Fossum as Director, U.S. Operations Miss Colombia, effective February 21, 1960. (For biogra details, see Department of State press release 60 d February 12.)

Parker G. Montgomery as Special Assistant to Secretary of State, effective February 23. (For biogra details, see Department of State press release 96 d March 2.)

Harold S. Nelson as Director, U.S. Operations sion, Lebanon, effective February 28. (For biogra details, see Department of State press release 84 d February 25.)

Frank G. Siscoe as Director, East-West Contacts S effective February 15.

Resignations

Robert B. Menapace as Deputy Managing Directo the Development Loan Fund, effective February 23.

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*80	2/23	Swearing in of Grady, ICA deputy director (biographic details).
*81	2/23	Educational exchange (U.A.R.).
82	2/24	Herter, Baig: messages on CENTO anniversary.
83	2/25	Annuity paid to Panama.
*84	2/25	Swearing in of Nelson, director, USOM, Lebanon (biographic details).
85	2/25	U.S.–Australian agreement on additional tracking stations.
86	2/26	Visit of Yugoslav atomic energy officials.

* Not printed.

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THE DEPARTMENT OF STATE

Bulletin

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March 21, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Economic Development in Latin America

by Under Secretary Dillon[1]

I can think of no more appropriate setting for this first Caribbean Assembly than the hospitable Commonwealth of Puerto Rico. For the people of this thriving, self-governing Commonwealth are drawing fully upon their rich Hispanic cultural heritage in fruitful efforts to achieve a better life with the warm support of their fellow citizens of the continental United States.

All of us here tonight seek greater understanding of one another. We treasure the special qualities of friendship and solidarity which characterize inter-American relations. Yet we recognize that misunderstandings can occur which call for sober examination in the spirit of mutual cooperation that pervades this important conference.

Our dedication to building a stronger, freer hemisphere must not be hampered by doubts arising out of misconceptions. We are all aware that there are those, within our own hemisphere as well as abroad, who seek to create frictions and fan them into hatred and suspicion to serve their own ends. They will not succeed if we join vigilantly and energetically together in keeping the underbrush of misunderstanding cleared away before it can grow into a rank jungle barrier.

We of the United States are genuinely distressed by one such misunderstanding, sometimes voiced in the other Americas, that we have been so preoccupied with our responsibilities in other parts of the world that we have tended to forget our southern neighbors or to take them for granted. Nothing could be farther from our intentions or desires—nor, I submit in all good conscience, from our performance. It occurs to me that our not inconsiderable contributions to the growth of the hemisphere have been channeled into so many fields over so long a period of time that their total impact and the overall purpose which inspires them have been obscured.

Throughout my own country there is today a deep, growing, and highly vocal interest in the problems of hemisphere development. This should reassure our friends to the south and make it easier to place our many and diverse efforts in proper perspective.

Since the earliest days of the United States, we have recognized that our ties and common interests with the other American Republics are of unique importance to us as a nation and as a people. We have a profound and sympathetic interest in working with our fellow Americans to solve the whole range of political, social, cultural, and economic problems which confront the hemisphere.

The need for economic development is perhaps the most urgent of these problems. In responding to this need, the United States has but one objective: to cooperate closely with all the peoples of the Americas in attaining sound, stable, expanding economies within the framework of free societies, dedicated to enlarging liberty and opportunity for all. We have no other motivation.

We of the United States are well aware that there are huge new forces at work in the southern region of our hemisphere, which is in a state of healthy ferment. There is a so-called "population explosion," a virtual industrial revolution, a tremendous surge toward progress that has taken an increasingly democratic turn in response to growing political consciousness and demands for social reform.

We are enthusiastically supporting the efforts of responsible leaders of the hemisphere to satisfy

[1] Address made before the Caribbean Assembly at Dorado Beach, Puerto Rico, on Mar. 1 (press release 87 dated Feb. 29).

their peoples' demands for a fuller life. For we recognize that, if their efforts are successful, the future holds few limits. We also recognize that failure to realize legitimate aspirations could lead to violence, Communist subversion and dictatorship, or other forms of regimentation which are equally repugnant to the peoples of the hemisphere.

Need for Intensified Production Effort

Today no area of our planet is in greater process of change than Latin America. By the end of the current decade Latin America will have a population of 270 million inhabitants—an increase of 300 percent in half a century. Its 2½ percent annual growth is the largest of any area in the world. The enormous pressures of this population increase call urgently for an intensified production effort to satisfy the ever-growing number of consumers who require more food and other necessities, a larger number of jobs, and broader cultural horizons.

But Latin America's potential is enormous. In all the basic industries—agriculture, steel, minerals, chemicals, electrical energy, and transportation—a high order of development is not only feasible but is already underway. Gross product has the prospect of increasing more than twice as fast as population. As for food, it is estimated that production can be multiplied fivefold if modern methods are employed. If responsible leadership provides the needed stimulus, there are, in truth, no problems in Latin America which constitute impenetrable barriers to normal and orderly progress.

To accelerate development, substantial help in the form of external capital and technical assistance is also needed. Outside help, however, can only stimulate and contribute to growth. It cannot substitute, nor should it be regarded as a substitute, for economically sound efforts which must be made by the governments of Latin America themselves if they are to satisfy their peoples' legitimate aspirations. In this regard we can learn many profitable lessons from "Operation Bootstrap" here in Puerto Rico.

There are numerous tools at hand—including some important new ones—to help in this all-important struggle.

The new Inter-American Development Bank is now a reality.[2] The Bank will have a billion dollars for loans to its member countries, which include all of the Americas except Cuba. Perhaps the Bank's most striking feature is that it is more than just a financing association. It is truly a development institution. For it will provide technical assistance to help insure that development projects are properly planned, properly engineered, and properly designed. Another important Bank service will be to advise on other available sources for financing all or part of individual projects. In this way it is expected to become a focal point for the overall coordination of Latin American development efforts. The United States, which is supplying 45 percent of the Bank's capital, was among the first to ratify its charter.

Our membership in the Bank complements our substantial long-term participation in the work of the World Bank and the International Monetary Fund, which will both continue to make financing available to Latin American nations. These institutions have recently increased their resources on our initiative.[3]

Another United States initiative which can contribute to Latin America's progress is the projected new International Development Association, whose charter is now awaiting parliamentary ratification.[4]

Still another United States initiative was our proposal earlier this year that the prospering nations of Western Europe and Japan give priority to increasing the flow of both public and private capital and technical assistance to the newly developing areas.[5] We do not intend in any way to diminish our own role. But Western Europe and Japan are now financially capable of mounting a sizable effort which could powerfully assist our own. If their response is as constructive and as generous as I hope, Latin America should benefit from this new, coordinated effort to stimulate free-world economic growth.

The other Americas will, of course, continue to

[2] For a statement made by Secretary of the Treasury Robert B. Anderson at the first meeting of the Board of Governors of the Inter-American Development Bank at El Salvador on Feb. 8, see BULLETIN of Mar. 14, 1960, p. 427.

[3] *Ibid.*, Oct. 5, 1959, p. 488.

[4] For a letter of President Eisenhower transmitting to the Congress a special report on the IDA, see *ibid.*, Mar. 14, 1960, p. 422.

[5] See p. 440.

e completely free to seek bilateral assistance from ur Export-Import Bank and, whenever they are nable to obtain financing from other free-world ources, from our Development Loan Fund.

Some notion of the size of our bilateral loans to atin America can be gleaned from these figures: During the last 10 years alone, the Export-Import Bank has loaned more than $2½ billion to Latin America, which has received more than 40 percent f all its loans. If we add to this the record of he Development Loan Fund, the International Cooperation Administration, and loans made under our P.L. 480 program for the disposal of agricultural surpluses, the grand total this past decade omes to more than $3½ billion. Many of these ublic loans are for harbors, highways, power, rrigation, and other projects for which adequate ocal capital is not available but which have to be reated before sustained development can begin.

ole of Private U.S. Investment

Private United States investments in Latin merica, which now total more than $9 billion, lay an even larger role in development. For the ast 5 years private U.S. investment increased at n average of $600 million per year. It has been stimated that U.S. private capital made it posble for Latin America to develop nearly twice as ast during the fifties as it otherwise would have. et me cite some significant figures:

- In recent years Latin American governments ave collected 15 percent of all their revenues from .S. companies.
- Profit remittances by U.S. companies are only out half as large as their tax payments in Latin merica.
- U.S. companies have consistently earned rge annual amounts of foreign exchange for atin America—up to $1 billion a year toward the tter part of the fifties.
- About three-quarters of the gross revenues of .S. companies is paid out in Latin America to ver local tax, wage, and material costs.
- During a typical recent year U.S. companies Latin America provided jobs for 625,000 perons. Less than 9,000 were from the U.S. Of me 48,000 positions classified as supervisory, ofessional, or technical, only one out of six was ld by a U.S. citizen.

I submit that these facts refute conclusively any accusation that Latin America is being "exploited" by private United States enterprise.

U.S. firms in Latin America are good "corporate citizens," and responsible Latin American leaders recognize the constructive role of U.S. investors in the growth of their countries. Instead of "extracting" wealth, as is sometimes erroneously charged, U.S. firms are *creating* new wealth for host countries. In fact, reinvestment of earnings by U.S. firms usually exceeds the total of dividends remitted to investors. Since local capital is inadequate to do the job of development alone and there is necessarily a limit to the Government funds which the U.S. taxpayer can make available, it is vital to Latin America that the rate of private U.S. investment continue.

Naturally, economic progress must be pursued by each country in ways consistent with its own cultural, political, and economic patterns. But if investment is to continue, there must always be due regard for the legal and property rights of the foreign investor. When foreign investors are subjected to expropriation without prompt, equitable, and effective compensation, it would be folly to believe that foreign investment will continue to be attracted. If it is repelled, one of the most important tools of development will have been thrown away.

New Regional Trading Arrangements

A pair of new tools have recently been created with the launching of two regional trading arrangements. A Common Market is coming into being between El Salvador, Guatemala, and Honduras which will have beneficial effects in diversifying production and trade. If it can be expanded to include the rest of Central America, it will become an even stronger influence for development. Only a few days ago, seven nations signed a treaty at Montevideo aimed at progressive reduction of trade barriers. Both of these regional trading arrangements will make it economically possible to produce goods now being imported from outside their areas. They will also help to create a climate which will attract additional private capital from abroad.

Still another tool of comparatively recent origin is multilateral consultation on commodity problems. Our friends in the Americas have long been seeking ways to lessen sharp price fluctuations of

their basic commodities in world markets. The U.S., as the principal coffee consumer, joined grower nations in 1958 in a study of the problems of the coffee industry. As a result, the Inter-American Coffee Agreement was negotiated between the producing countries. This was later expanded to include African producers in an International Coffee Agreement. Relative stability now rules in the coffee market, to the great benefit of the 15 exporting countries of Latin America. Similar efforts are going forward on other commodities.

Since reciprocal trade is a basic tool of progress, we shall continue to do everything in our power to open our markets wider to the products of the other Americas, whose trade with us has reached nearly $4 billion a year in each direction. Through the General Agreement on Tariffs and Trade we are constantly seeking to break down barriers to trade which might prove harmful to ourselves and to our American neighbors.

Improving Human Skills

But, important as they are, financial assistance and the benefits of expanding trade are not sufficient, in themselves, to bring about development. People are the most essential tool of growth. There is a need in Latin America for improved human skills at all levels.

We have been working with the other governments of the hemisphere since 1942 in joint public health, agricultural, and educational endeavors. These programs are still important, but the concept of technical cooperation has been broadened to deal with problems in many other fields, including industrial hygiene, the development of trained managers and administrators for private enterprise, and the training of qualified civil service personnel for government. These joint programs have a radiating beneficial effect by stimulating many locally conceived innovations which are aiding progress. Puerto Rico is playing an important role in this field of technical cooperation. Our Federal Government cooperates with the Commonwealth in a program which brings to Puerto Rico thousands of persons from Latin America and elsewhere around the globe to study methods developed here so that they can apply them in solving similar problems in their own lands.

We cannot hope to achieve our common objectives of economic prosperity and political stability unless our peoples understand and appreciate one another's cultural values. The United States has been working for many years to promote greater interchange of people, knowledge, and cultural attainments on a massive scale. Our Government has continuously expanded its exchange programs with the other Americans. This year more United States and Latin American citizens will be studying, teaching, and doing research in each other's countries than ever before. It is my personal hope that more and more attention will be given to cultural interchange in the years to come.

We of the United States regard all of the cooperative efforts I have been describing as tools to be used in fulfilling a commonly shared American dream: the development of the hemisphere to satisfy the mounting expectations of its peoples. These expectations and the need for large-scale cooperative efforts to meet them have been eloquently caught by Brazil's President Juscelino Kubitschek in Operation Pan America.

The concept of Operation Pan America is one which we fully support. It should lead to better coordination of the multifarious and sometimes scattered efforts that have characterized the past. Immediate benefits should flow from a series of comprehensive economic studies to be conducted by the Organization of American States. These studies, which have so far been requested by 11 nations, should enable us to better assess the task ahead.

Suggestions for Immediate Study

In the meantime I wonder if we do not already have at hand suggestions on ways to attack problems common to all the hemisphere, which could be given immediate study by the people of each country in the light of their own needs. I should like to offer the following for your consideration during this conference:

First, how can ways be found to reduce the financial burden of unnecessary armaments? The Presidents of Chile and Peru have appealed for a conference on arms limitation in the hemisphere. It would certainly be in the common interest to bring about a settlement agreeable to all, within the bounds of effective hemispheric security. Reduced expenditures on armaments should mean a

increase in funds that could be devoted to more productive purposes.

Second, how can the internal tax burden be spread more equitably, and how can taxes be collected more effectively? The tax burden in many countries is not apportioned according to the ability to pay. Tax reforms could increase government resources for economic development and at the same time reduce the burden borne in some countries by lower income groups.

Third, what measures can be taken to liberate private enterprise—domestic as well as foreign—from unnecessary controls and interferences? Although some governmental controls are undoubtedly needed, they should not be permitted to impede the significant contributions which socially conscious private enterprise can, and does, make to progress.

Fourth, how can overstaffed governmental bureaucracies be reduced without causing undue hardships, and how can governmental operations be made more effective—perhaps through the institution of civil service systems?

Fifth, what steps can be taken to expand educational facilities? In terms of development, one of the most pressing needs of the other Americas lies in the field of technological education for a technological age. Their engineering and technical schools now enroll some 50,000 students, and the need is for many times that number. But the long-range educational problem lies even deeper. It is estimated that an additional 400,000 teachers are required merely to assure an elementary education for the present school-age population.

Finally, how can excessive inflation be brought under control? This is admittedly not an easy task. It is one of the most difficult problems now confronting many of our sister republics. But ways must be found if continued economic growth is not to be frustrated. Success in this endeavor would lessen the wasteful use of resources, restore confidence in the currency, and thus encourage savings, channel investment of domestic capital into productive local enterprise rather than into the sterile haven of real estate, reduce the flow of money to foreign bank accounts and foreign securities, and bolster real wages consistent with a rising standard of living. The first and fundamental step in this direction would be wider realization of the fact that uncontrolled inflation is *not* synonymous with sustained growth and that sound fiscal and monetary policies are *not* contrary to development.

Only with sound policies will solid and continuing progress be won. For production and still more production is the only way to achieve economic progress. Opportunism—the creation of divisions and hatreds between classes or between nations—demagoguery—disrespect for the rights of minorities, for human dignity, and for the right to dissent—disregard for property rights—all these can lead only to *less* production and to falling standards of living.

Foundations of the American Community

As we meet here tonight, President Eisenhower is making an historic visit to South America. You will have an opportunity to hear some of his personal impressions before your conference closes. I deeply regret that the press of official duties requires that I return tomorrow to Washington. For I had hoped to take part in your discussions, and I had been looking forward particularly to hearing the views of that eminent statesman, Don German Arciniegas of Colombia, when he addresses you two nights hence.

President Eisenhower's trip has amply demonstrated our deep-seated desire in the United States to identify ourselves with the surging aspirations of the Latin American peoples and to help them strengthen democracy and attain higher standards of living. We hold that no nation in this hemisphere stands alone. The spiritual and material well-being of one country is a matter of continuing and urgent concern to all. I say this with deep conviction. But it is more than a conviction. It is an article of faith. For our American community is built upon a bedrock of friendship and mutual respect. And friendship and solidarity have their roots in the human heart.

On behalf of my country and my people, I want to assure our friends of this: No matter what our commitments in other areas of the world—and they must know that they are many and burdensome and are designed to achieve the same free-world goals to which all of them subscribe—the United States will never forget the needs of its sister republics. Our feeling of friendship and kinship for the citizens of the other Americas is as deep-rooted and enduring as our belief in the freedom and dignity of the human spirit.

Development Assistance Group To Convene at Washington

Press release 95 dated March 2

The United States Government has issued invitations to the Governments of Belgium, Canada, France, Germany, Italy, Japan, Portugal, and the United Kingdom and to the Commission of the European Economic Community to attend a meeting of the Development Assistance Group to be held at Washington March 9 to 12. These invitations have been accepted. The meeting stems from the special economic meetings held at Paris January 12 to 14, where a resolution was adopted noting that certain countries intended to consult concerning their policies of assistance to less developed countries.[1] The purpose of the meeting is to discuss the means of expanding and facilitating the flow of long-term capital funds to less developed areas and the various aspects of cooperation in these efforts.

U.S. Seeks To Establish Basis for Negotiations With Cuba

Following is an exchange of notes between Daniel M. Braddock, U.S. Chargé d'Affaires ad interim at Habana, and Dr. Raúl Roa, Cuban Minister of State.

TEXT OF U.S. NOTE

Press release 92 dated February 29

February 29, 1960

I have the honor to acknowledge the receipt of Your Excellency's note of February 22 regarding the decision of the Government of Cuba to name a commission to negotiate in Washington on matters pending between Cuba and the United States of America. The Government of the United States welcomes and shares the expressed willingness of the Government of Cuba to seek a solution of outstanding problems through negotiations.

Your Excellency will appreciate, I am sure, that the Government of the United States cannot accept the condition for the negotiations stated in Your Excellency's note to the effect that no measure of a unilateral character shall be adopted on the part of the Government of the United States affecting the Cuban economy and its people, whether by the legislative or executive branch. As set forth in President Eisenhower's statement of January 26,[1] the Government of the United States must remain free, in the exercise of its own sovereignty, to take whatever steps it deems necessary, fully consistent with its international obligations, in the defense of the legitimate rights and interests of its people. The Government of the United States believes that these rights and interests have been adversely affected by the unilateral acts of the Government of Cuba.[2]

The Government of the United States for its part firmly intends to continue by its conduct and through its utterances to reaffirm the spirit of fraternal friendship which, as Your Excellency so well stated, has bound and does bind our two peoples and which the Government of the United States believes is earnestly cherished by them. Prior to the initiation of negotiations and through normal diplomatic channels the Government of the United States would wish to explore with the Government of Cuba the subjects to be discussed and the manner and place in which negotiations might be conducted. Accordingly, I would welcome, for transmittal to my Government, any proposals which Your Excellency might care to submit in these respects.

Accept, Excellency, the assurances of my highest consideration.

TEXT OF CUBAN NOTE

Unofficial translation

February 22, 1960

I have the honor to communicate to you that the Revolutionary Government of Cuba, in accordance with its expressed proposal to renew through diplomatic channels the negotiations already begun on matters pending between Cuba and the United States of America, has decided to name a commission, qualified for the purpose which could begin its negotiations in Washington on the date which the two parties might agree.

The Revolutionary Government of Cuba wishes to make clear, however, that the renewal and subsequent development of the said negotiations must necessarily be subje-

[1] For a series of statements made by Under Secretary Dillon at the Paris meetings, together with the texts of three resolutions adopted by the group, see Bulletin of Feb. 1, 1960, p. 139.

[1] Bulletin of Feb. 15, 1960, p. 237.

[2] For background, see *ibid.*, Feb. 1, 1960, p. 158.

no measure being adopted, by the Government or the ongress of your country, of a unilateral character which ight prejudge the results of the aforementioned negotiaions or cause harm to the Cuban economy and people.

It seems obvious to add that the adherence of your overnment to this point of view would not only conribute to the improvement in the relations between our espective countries but also reaffirm the spirit of frateral friendship which has bound and does bind our peoples. t would moreover permit both Governments to examine, a a serene atmosphere and with the broadest scope, the uestions which have affected the traditional relations etween Cuba and the United States of America.

President Lleras of Colombia To Visit United States

The Department of State announced on March (press release 93) that arrangements have been ompleted for the visit of Dr. Alberto Lleras-amargo, President of the Republic of Colombia, who will visit the United States this spring at the nvitation of President Eisenhower.

President Lleras, accompanied by Señora de Lleras and party, will arrive at Washington on April 5. On April 8 they will begin a brief trip n the United States that will include stops at Hot Springs and Roanoke, Va., New York City, and Miami, Fla., and will leave Miami for Bogotá on April 16 or 17.

U.S. Welcomes Australian Trade Liberalization

Department Statement

Press release 103 dated March 4

The United States welcomes the action, effeciive February 23, of the Government of Australia as a result of which products comprising about 90 percent of Australia's imports, worth about $1.8 billion annually, are free of quota restrictions. This move follows steps taken last August 1 [1] and December 1 by which Australia removed discriminatory quota restrictions against dollar goods from all except two commodities.

As a result of these liberalizations only about 200 products imported into Australia remain subject to licensing restrictions and the import quotas under these licensing controls have been increased by 20 percent. The restrictions reportedly are to remain only until some other way is found to provide advance information on the level of imports of these items. The present restrictions on imports of timber from dollar sources will be removed April 1, 1960, and the restrictions on imports of automobiles from dollar sources on October 1, 1960.

This action means that the removal of quota restrictions on Australia's imports is virtually complete. An increase in total imports from the present annual level of about $1.9 billion to about $2.2 billion is expected to result.

[1] BULLETIN of Aug. 24, 1959, p. 284.

U.S. and Canada Continue Columbia River Negotiations

Following is a joint statement released at Ottawa on February 12 by E. D. Fulton, Minister of Justice of Canada, and E. F. Bennett, Under Secretary of the U.S. Department of the Interior, at the conclusion of the first session of the negotiations on the cooperative development of the water resources of the Columbia River Basin, together with a communique released at Washington on March 5 at the close of the second session.

Joint Statement, Ottawa, February 12

This first meeting, while primarily exploratory in nature, has provided a most useful opportunity for an exchange of views and progress has been made. We are determined to proceed with all possible speed and to that end we have scheduled a second meeting to be held in Washington on March 4 and 5. In the interim, experts from both our countries will be working on some of the more technical aspects of the problems, with joint consideration by these experts of pertinent data.

In our negotiations we are being guided by the Principles recommended by the International Joint Commission and we wish to take this opportunity to commend the members of that body for the excellent preparatory studies they produced.

Communique, Washington, March 5

Press release 104 dated March 5

United States and Canadian Delegations appointed to negotiate an agreement for cooperative development of the water resources of the Columbia River System held the second in a series of

meetings at the Department of State, Washington, on March 4–5, 1960. The first meeting of the two Delegations was held in Ottawa on February 11–12, 1960.

The Chairman of the United States Delegation is the Honorable Elmer F. Bennett, Under Secretary of the Interior. Other members are Lieutenant General Emerson C. Itschner, Chief of Engineers, United States Army; and Mr. Ivan B. White, Deputy Assistant Secretary of State.

The Chairman of the Canadian Delegation is the Honorable E. D. Fulton, Minister of Justice. Other members are Mr. Gordon Robertson, Deputy Minister of Northern Affairs and National Resources; Mr. A. E. Ritchie, Assistant Under Secretary of State for External Affairs; and Mr. E. W. Bassett, Deputy Minister of Lands of the Province of British Columbia.

The two Chairmen reported that progress was made at the meeting just concluded, which continued the exchange of views initiated at Ottawa. This second meeting served to define in greater detail the views of the respective Governments. A third meeting has been scheduled for March 31 and April 1 at Ottawa and, in the interim, experts of both countries will continue study of the technical aspects of the negotiations as required.

U.S. Plans To Participate in Indus Basin Project

DEPARTMENT STATEMENT

Press release 90 dated February 29

The International Bank for Reconstruction and Development announced on February 29 the readiness of certain friendly governments, including that of the United States, to participate in the financing of a Bank plan designed to effect a settlement of the Indus waters dispute between India and Pakistan. The other friendly governments concerned are those of Australia, Canada, Germany, New Zealand, and the United Kingdom.

The total cost of the system of works required to achieve this settlement is estimated by the Bank to be in the order of the equivalent of $1 billion, partly in foreign exchange and partly in local currencies.

The contribution proposed by the Bank for the United States consists of $177 million in grant aid, $103 million in loans, and $235 million in local currencies to be derived from the operations of various U.S. programs in Pakistan.

As pointed out by the Bank, actual implementation of the financial plan, and the participation of the governments concerned, would be contingent on the ratification of the water treaty now under negotiation between India and Pakistan and would be subject to such legislative action as may be required in each contributing country. The Bank has expressed the hope that final agreement on all the outstanding points to be included in the water treaty will be reached within the next 2 months.

Subject to congressional concurrence the Government of the United States proposes to assist this project financially because it wishes to see an early settlement of a major dispute which has since 1947 embittered relations between India and Pakistan. The United States is also interested in helping this project because upon it depends the future welfare of the 40 million people who live in the Indus Basin. When completed the entire system of works will be by far the largest integrated irrigation project in the world.

The Government of the United States is, therefore, pleased with the progress which the Governments of India and Pakistan have made toward settlement of the dispute and looks forward to the early conclusion between them of the water treaty. The contribution of the World Bank toward the success of these long-drawn-out and difficult negotiations has been invaluable. The plan drawn up by the World Bank constitutes perhaps a unique example of international cooperative help toward the fulfillment of a major program of economic development in the less developed areas of the world.

WORLD BANK ANNOUNCEMENT

The International Bank for Reconstruction and Development announced on February 29 that the negotiations for the conclusion of a water treaty between India and Pakistan in settlement of the Indus waters question are continuing in Washington under the auspices of the World Bank. It is hoped that final agreement on all the outstanding points to be included in the treaty will be reached within the next 2 months.

The treaty would be based on a division of the Indus waters on the lines of the proposal made by the Bank to the two Governments in February 1954. Under this proposal the three eastern rivers of the Indus system (Sutlej, Beas, and Ravi) would be for the use of India, and the three western rivers (Indus, Jhelum, and Chenab) would be for the use of Pakistan.

This division of the waters necessitates the construction of works to transfer, from the three western rivers, supplies to meet the irrigation uses in those areas of Pakistan which have hitherto depended on supplies from the three eastern rivers. The effect of this transfer would be to release the whole flow of the three eastern rivers for irrigation development in India, and, as part of the treaty, India would agree to contribute toward the costs of these works. The system of works to be constructed would, however, provide further substantial additional irrigation development both in India and Pakistan and, as well as irrigation, would develop important hydroelectric potential in both countries. It would also make an important contribution to soil reclamation and drainage in Pakistan and provide a measure of flood protection in both countries.

It is estimated that the total cost of the system of works to achieve these results would be of the order of the equivalent of $1,000 million, partly in foreign exchange and partly in local currencies.

The Bank has evolved a plan to finance the required expenditure and has had assurances from certain friendly governments of their readiness to participate in the cost of the plan, over and above the amounts to be contributed by India and Pakistan and by the Bank itself. The implementation of the financial plan and the participation of the governments concerned would, of course, be contingent on the ratification of the water treaty now under negotiation and would be subject to such parliamentary and congressional action as may in each case be necessary. The participation of each of the friendly governments concerned would be as follows:

A. In Foreign Exchange

Australia	£A 6,964,286 in grants
Canada	Can $22,100,000 in grants
Germany	DM 126,000,000 in grants
New Zealand	£NZ 1,000,000 in grants
United Kingdom	£ 20,860,000 in grants
United States	US $177,000,000 in grants, and US $103,000,000 in loans

B. In Local Currency

United States	The equivalent of US $235,000,000

The President of the World Bank is prepared to recommend to the Bank's Directors that the Bank should participate with loans to India and Pakistan of the order of $103 million.

The Bank's financial plan envisages that all construction contracts would be open to competitive bidding and that the foreign exchange contributions would be freely usable for purchases anywhere in accordance with procedures similar to those followed by the Bank in its normal operations.

The costs of the construction program would be spread over a period of approximately 10 years, and the general supervision of the program would be undertaken by the Bank.

U.S. Affirms Belief in Principle of Self-Determination for Tibet

Following is an exchange of messages between Secretary Herter and His Holiness the Dalai Lama (press release 89 dated February 29).

Secretary Herter to the Dalai Lama

February 20, 1960

Your Holiness: Thank you for your letter to me dated January 5, 1960.

As you know, while it has been the historical position of the United States to consider Tibet as an autonomous country under the suzerainty of China, the American people have also traditionally stood for the principle of self-determination. It is the belief of the United States Government that this principle should apply to the people of Tibet and that they should have the determining voice in their own political destiny.

Sincerely yours,

Christian A. Herter

His Holiness
The Dalai Lama

The Dalai Lama to Secretary Herter

Balrampur, India, *January 5, 1960*

To: His Excellency, The Honorable Secretary of State, Christian A. Herter

Your Excellency: Permit me to offer my sincere gratitude to you and to the Government of the United States for your active support during the course of the debates in the United Nations General Assembly regarding the

problem of Tibet.[1] I can assure Your Excellency that my people will always remember the help and assistance they have received thereby in their effort to determine for themselves their own political destiny.

The support and sympathy of the people and Government of the United States have been of great benefit and encouragement to us and we confidently hope that this will be continued.

With assurances of my highest consideration, I remain,

Yours sincerely,

DALAI LAMA

U.S. Aids Victims of Agadir Earthquake

Press release 102 dated March 4

The U.S. Government has continued to increase its allocations for emergency aid to Agadir, Morocco, virtually destroyed by earthquake on the night of February 29–March 1. Funds drawn from the Mutual Security Program's contingency fund will finance assistance by U.S. agencies already at work. The International Cooperation Administration also announced on March 4 it has authorized arrangements for shipment of 5,000 metric tons of grain and up to 50 tons of milk under provisions of Public Law 480.

U.S. Army, Navy, and Air Force units have been providing airlift, medical, and emergency supplies since the early hours of March 1, under the direction of U.S. Ambassador Charles C. Yost and in close cooperation with Moroccan authorities and units from five other Western nations and international relief organizations. Overall disaster relief has been coordinated by Moroccan Crown Prince Moulay Hassan.

The U.S. effort began at 6:00 a.m., Tuesday morning, March 1, with the declaration by Ambassador Yost that the Agadir earthquake constituted a national disaster. Ten thousand dollars was immediately released from the Ambassador's emergency fund, and U.S. military aircraft began flying in emergency medical and relief supplies and evacuating casualties, many of whom are under treatment in U.S. military hospitals in Morocco. A combined force of about 200 airmen, sailors, and marines drawn from U.S. bases in Morocco was rushed to Agadir to assist in rescue operations. Later a U.S. Army engineer company from Germany was airlifted to the disaster area for rescue and demolition work. Also on hand is a Navy preventive-medicine unit to work with Moroccan medical authorities.

Equipment flown into Agadir by U.S. forces included bulldozers, graders, and other heavy pieces for rescue and demolition work. Supplies provided from U.S. military stocks and airlifted to Agadir included tents, blankets, and cots for survivors; disinfectants, quicklime insecticides, and sprayers to help prevent possible epidemics; and even gas masks and salt tablets for workers on the spot.

U.S. planes also helped fly in Royal Moroccan Army troops and contributions of emergency supplies from other sources. The coordinated airlift also included French, Spanish, and Italian aircraft.

The cruiser U.S.S. *Newport News* arrived on March 3 in the port of Agadir, joining ships of the French, Netherlands, British, and Italian navies.

Both the American Embassy and U.S. military commands went on 24-hour watches, and a joint command post made up of Embassy, Navy, Military Liaison Office, and Air Force officers was established at the French airbase near Agadir. Communications between U.S. establishments and the Agadir area were maintained by ham radio and from the Navy base at Fort Lyautey to Agadir supplemented by portable equipment flown into the devastated city.

While the principal effort to provide relief continues to be carried out by the Moroccan Government with substantial assistance from French units at hand, the U.S. is contributing to the extent possible.

[1] BULLETIN of Nov. 9, 1959, p. 683.

The Economic Assistance Program for Fiscal Year 1961

Statement by James W. Riddleberger
Director, International Cooperation Administration[1]

I welcome this opportunity to appear before you in my capacity as Director of the International Cooperation Administration to support those elements of the fiscal year 1961 Mutual Security Program authorization request which are the responsibility of ICA. These include defense support, special assistance, technical cooperation, and the ICA administrative expenses.

Over the past decade I have observed and participated in this program from the vantage points of both the developed and underdeveloped parts of Europe, including 6 years in Yugoslavia and Greece. I have personally witnessed the effectiveness of this program as a tool serving our foreign policy objectives. I am convinced that without this program the map of Europe would be very different today, we would have been compelled to spend for our own defense amounts exceeding the cost of these programs in Europe, and our overall defense posture would be far less secure than it is now.

Without United States assistance the Communist rebels probably would have taken over Greece. It is difficult in 1960 to reconstruct in our minds the apparently hopeless position of the free forces in Greece in the late forties, when their authority in Athens itself extended over only a few blocks.

The program has helped the free countries of Europe to meet an imminent Communist internal threat to their independence arising out of their economic collapse. It is doubtful if either France or Italy would have succeeded in the determined defense of their freedom without this program.

Economic assistance has made it more feasible for Yugoslavia to proceed on the road of independence from Moscow, which it had chosen.

This program has directly benefited the trade and commerce, and consequently the livelihood, of the entire free world. It has been the foundation for the rebirth of a determination by many nations to remain free and independent. It has strengthened the will of many nations to pursue without fear the path of freedom and independence and to maintain a position of national sovereignty. It has helped to make the concept of a satellite state repulsive to free peoples.

Also noteworthy is the fact that today many of the European countries, which, 12 short years ago, were themselves at the edge of economic chaos, are able and have begun to extend substantial aid to underdeveloped countries.

This program has helped the free countries of Europe to maintain a military posture which has significantly contributed to deterring or preventing Communist expansion by force of arms. NATO and our complex of strategic bases are a direct consequence of this program.

Under the Marshall plan assistance was concentrated on the overwhelmingly important problem of restoring and strengthening the economies, the stability, and the military power of Europe. However, while these striking forward strides have been made in Europe, additional and pressing challenges requiring appropriate response from the United States have arisen during the past decade in the underdeveloped areas, in the Middle East, Asia, and more recently in Africa.

Our initial step in the underdeveloped areas was the point 4 concept. This program recog-

[1] Made before the House Foreign Affairs Committee on Mar. 1 (press release 94).

nized that, unlike the situation in Western Europe, the shortage of technical skills and the inadequacies of local institutions represented as great a deterrent to progress as their lack of capital. Our technical cooperation program to assist in remedying these situations has had a high degree of success. However, in some areas point 4 was overshadowed almost at the outset by the explosion of Communist armed force and intensified subversive action into the underdeveloped areas beginning with their subversive action in Iran, their takeover of mainland China, and the start of Communist military action in Korea, Indochina, and the Taiwan Strait. These actions made imperative the provision of economic assistance in order to enable the countries most directly concerned to resist the threat by military measures and to restore or strengthen their economies.

With the gradual return of stability to Europe and Asia—an uneasy stability as we have seen in 1959, and with Communist actions threatened or directed at such places as Berlin, Tibet, India, Laos, and the offshore islands—it has been possible to direct increasing attention to the problems of development in Asia and elsewhere and at the same time continue necessary attention to stability and maintenance of the military shield. Thus recent years have seen a significant growth of technical cooperation, the establishment of the Development Loan Fund, the creative use of our agricultural surpluses, the expansion of the International Bank for Reconstruction and Development, and the development of other instrumentalities to jointly mobilize the resources of the other developed nations of the free world.

Our response has been properly characterized by flexibility and diversity to meet differing needs and priorities with limited resources. Our programing process has been increasingly refined to permit this.

In a constantly changing world scene it has not been easy to achieve the most effective balance between, for example, Europe and Asia, military and economic needs, grants and loans, short-run impact and long-range benefits, military allies and neutrals, and major projects and diversified small projects. At no time have any of these possibilities been ignored. However, it has been certainly possible for men of reason to reach different conclusions as to the proper balance. With the benefit of hindsight we can now see where a different emphasis in particular situations might have beer more effective. I personally believe that the shift in emphasis and the changes in the program whicl the executive branch is proposing to you this year and which ICA is, in part, charged to execute represent not only another significant forward ste in our continuing effort to improve foreign assist ance but represent a program which is responsiv to the needs of fiscal year 1961.

The Fiscal Year 1961 Program

The fiscal year 1961 program features a serie of new points of, or shifts in, emphasis. Presiden Eisenhower's mutual security message and th presentations of Secretary Herter and Under Sec retary Dillon before this committee [2] have indi cated these points, which include increase concentration of assistance for economic growth i particular countries, the Indus Basin program, the special program for tropical Africa, decrease requirements for defense support, the greater con tribution of other industrialized free nations, an the Inter-American Bank.[4] I shall discuss severa of these subjects in my presentation this morning

The fiscal year 1961 program contemplates con tinued building and strengthening of the defensiv shield along the Sino-Soviet arc. New emphasi is given to selecting and developing free-worl economic strong points.

It is our contention that the simple concept o increased concentration of major U.S. financial re sources in selected countries will net more valu for free-world economic strength than spreadin our aid and assistance on a less catalytic scal among all countries benefiting from our economi programs. President Eisenhower's program a it has been set before you takes a significant ste in this regard.

Thus, as you are aware, our program this yea highlights India, Pakistan, and Taiwan as princi pal examples of countries wherein it is clearly i our national interest, as well as in the nationa interest of these countries, to concentrate develop ment assistance.

South Asia

Major capital assistance to south Asia will b provided through the Development Loan Func which will be described at a later session by M

[2] Bulletin of Mar. 7, 1960, p. 369.

[3] See p. 442.

[4] Bulletin of Mar. 14, 1960, p. 427.

[Vance] Brand [Managing Director, Development Loan Fund].[5] However, I do think it is appropriate for me to say that the program of ICA can be properly judged only in relation to the other parts of the Mutual Security Program and related programs, such as those under Public Law 480. I am convinced that the India capital-resources program, appropriately the responsibility of the Development Loan Fund, forms an integral and essential part of our total response to the problems of economic development. We have our largest technical cooperation program in India. To carry out our heavy responsibilities in India and to help assure full integration of all U.S. economic activities in the country regardless of the Washington agency which backstops them, we have established a new position there, that of Economic Minister. Mr. C. Tyler Wood, whom many of you know and who is one of our most experienced and senior officials, is the incumbent of this position.

In Pakistan our response to the requirement for a heavy flow of resources will be made through the provision of defense support to finance imports of commodities and a Public Law 480 program of agricultural surpluses, as well as DLF lending.

Program for the Republic of China

Turning now to Taiwan, I would like to quote briefly from President Eisenhower's mutual security message:

> The vigorous and skilled population on Taiwan, the record of growth in investment and output, the very real potential for acceleration, offer a prospect for a convincing demonstration that under free institutions a pace and degree of achievement can eventually be obtained in excess of that resulting under totalitarianism. For this purpose, we envisaged the full employment of both grant and loan assistance to hasten the day of ultimate viability and self-sustaining growth.

Last year during your hearings Leonard J. Saccio, then Acting ICA Director, highlighted the extremely encouraging, and widely unrecognized, accomplishments made on Taiwan in the last 8 years. Industrial production has more than doubled. The number of private entrepreneurs has mushroomed. There are now some 20,000 manufacturers producing goods ranging from small household items to heavy capital equipment. Agriculture has also expanded and diversified; yields per acre are now among the world's highest. The progress of the Republic of China leads us to believe that an accelerated effort may enable the island to reach the goal—full economic self-support.

The Government of free China has prepared a plan for acceleration of economic growth which has been transmitted to U.S. representatives for consideration. The plan includes many significant Chinese actions such as tax reforms, noninflationary fiscal and monetary policy, more liberal foreign exchange controls, and transfer of public-owned industries to private hands. Taken as a whole the many proposed activities should stimulate the private sector and induce an increased level of domestic investment. It is proposed that the MSP, through an appropriate combination of grants and loans, assist in meeting the foreign exchange costs of this addition of investment. The achievement of rapid growth largely through the vigor of the private sector will have an impact of great significance in the Far East.

Why Concentration of Assistance?

Some persons may well ask, as I am sure a number of our stanch allies in the underdeveloped areas will ask, "Why are we suggesting an intense concentration of assistance for economic growth in Taiwan and south Asia but not in all the other areas?" It is my belief that the answer to this question belongs in my public statement and should not be reserved for executive sessions; it should and will be unclassified. The reasoning will not come as any surprise to this committee as much of the underlying rationale was articulately expressed in your report[6] of nearly 1 year ago.

The answer is essentially twofold: first, that economic development cannot occur as a product of external assistance alone. Real development, which yields its broad range of benefits to the general population, will always be, in the main, a product of the work and devotion of the people concerned and cannot be given, or lent, or forced by an outside nation.

As President Eisenhower said in his state of the Union message:[7]

> All of us must realize, of course, that development in freedom by the newly emerging nations is no mere matter of obtaining outside financial assistance. An

[5] See p. 453.

[6] H. Rept. 440, 86th Cong., 1st sess.

[7] BULLETIN of Jan. 25, 1960, p. 111.

indispensable element in this process is a strong and continuing determination on the part of these nations to exercise the national discipline necessary for any sustained development period. These qualities of determination are particularly essential because of the fact that the process of improvement will necessarily be gradual and laborious rather than revolutionary. Moreover, everyone should be aware that the development process is no short-term phenomenon. Many years are required for even the most favorably situated countries.

The provision of technical or capital assistance cannot induce dynamic progress unless the people themselves are prepared to make the difficult economic and political decisions required in the allocation and administration of their *own* resources. Foreign aid may be an indispensable part of the total, but increasing the amount of foreign aid in no sense substitutes for the necessary ingredient of full, determined, disciplined self-help.

The second part of the answer is that more than self-help and determination is required. There must be an economic, institutional, and human-resources base upon which rapid economic growth can be built.

However, when these two conditions are met, namely, full determination and disciplined self-help, plus an economic, institutional, and human base capable of accelerated growth, *then* the United States stands prepared to utilize a variety of tools and techniques in increased measure to help accelerate economic advancement.

There must be, however, a judgment made by the United States involving selectivity in choosing when and where to concentrate assistance. This Government does not believe that properly guiding its actions on such judgments constitutes interference in the internal affairs of others. The selection process does require that the United States make certain qualitative judgments as to the chances of success for economic growth unless the recipient deals realistically with such things as the tax policy, trade policy, and investment policy.

I wish to underscore my earlier statement that the heart of development must come from within. The United States is frequently criticized for giving too much assistance and also frequently criticized for not giving enough. These latter critics—both within the United States and abroad—may not fully appreciate the role of external assistance as we see it. The essential point is that the assistance policies of this Government must and do proceed with the recognition that our acts can stimulate and can help but cannot substitute for effective self-help. This point has its corollary: that other nations must—and many do—recognize that it is in their national interest to plan and carry the major portion of their own programs for economic independence.

There is a discernible response by many nations to the questions of their future growth. We find a heightened and constructive attention to such questions as investment policy, encouragement of private enterprise, and tax and fiscal policies. This encouraging response is the product of many forces: a recognition of unfavorable relative rates of growth as compared to others, including potential aggressors; the uncertainties of external assistance, as well as out of their own "trial and error" efforts at development.

I said that the answer to why we should concentrate assistance is essentially twofold, but there is a third reason, a kind of dividend reason. I like to call this reason the "reverse domino" effect. You all know the danger of chain reaction in Communist aggression, which has been often called the "domino" effect—one small free country is invaded or subverted by the Communists, and the drive of the Communists in knocking down this first country might serve to knock down a series of neighboring small countries like dominoes.

The reverse-domino effect comes with the ability of these islands of development, once they have picked up the drive toward self-sustaining growth, to give assistance and inspiration in their turn to other underdeveloped countries which are farther behind in the growth process. We are now witnessing a major reverse-domino effect in the form of increasing efforts by Western Europe to assist the development of Asian and African countries. We are also witnessing it, on a smaller but still impressive scale, in the case of Israel, a small, medium-developed country, sending technicians to assist in Ghana, Nigeria, Burma, and other countries. We see the reverse-domino effect also in Indian aid to Nepal, situated precariously within arms grasp of Red China, and we see it as Taiwan and the Philippines are extending technical assistance to free Viet-Nam. These examples will be multiplied in the years to come.

There is also another significant effect which will come with success. I believe that free peoples everywhere will prefer to continue free even if freedom means that economic progress to the

stage of self-sustaining growth takes two generations compared to the one generation which may be possible under totalitarian rule. But they will have to know that progress under freedom is possible for underdeveloped countries. We propose to help supply the evidence.

Finally, I wish to make clear, as did your committee in its discussion of this concept in the report last year, that we do not mean in any way to suggest that those governments whose countries are not yet in a position to qualify for intensive development assistance should be cut off from assistance required by their special circumstances or from specific assistance to help establish an economic, institutional, and human base capable of accelerated growth. Such assistance will continue to be required. The main point of the proposal is its recognition that increased concentration of development assistance on countries ready and willing for dynamic growth will pay the greatest dividends.

Special Program for Tropical Africa

Turning now to a second major feature of foreign assistance planning and programing, our proposal for assistance to Africa I believe represents a new step in the right direction in the coming year.

Other representatives of the executive branch are presenting to you a picture of the swift and unexpected rate of political change in Africa. The African Continent is entering into a new relationship with other parts of the world. Developments in Africa require a reorientation of European-African relationships and a new and direct partnership between the United States and Africa.

During the past year there have been a considerable number of visits of African leaders to the United States. Some of you have talked with these leaders, as we have. They have emphasized their desire for our moral support and our understanding. They have stressed their needs for technical assistance and especially their needs for help in the fields of education and training. Most of them hope for and expect continuing strong support from the European powers. But they desire also to broaden their economic relationships, particularly by securing the support and assistance of the United Nations and of the United States.

Our Government will continue to encourage the other Western Powers, particularly the European powers, to continue to help carry the burden of providing financial assistance to Africa. We are making a particular effort also to encourage private investment in Africa and to seek ways in which the resources of lending agencies can be used to meet capital requirements.

We are convinced, however, that it is in the United States interest also to increase direct assistance to Africa. We are proposing, therefore, an increase in our technical cooperation program in Africa, and in addition we are requesting a sum of $20 million to finance the first year of an education and training program.

There is an extraordinary need on the African Continent to build and to strengthen human and institutional resources as a precondition of rapid economic growth. It seems clearly appropriate for us to apply increased emphasis toward helping to meet this need, so that the Africans will increase their abilities to do things for themselves and will be able to utilize more effectively other forms of economic development assistance.

From the oft-cited literacy and education statistics on Africa, you are all aware of the tremendous magnitude of the problem. It is a problem of which African leaders are well aware and one which they themselves must solve. We recognize that to spread our limited resources over the entire spectrum of African education would be futile. We propose, therefore, to offer our assistance at critical points where we believe the benefits will be greatest. You will note from the material that will be provided you that we hope to be able to strengthen African institutions, which in turn can serve as more effective centers of planning and leadership in the education and training fields. We propose to concentrate on basic improvements in approaches to education and training—improvements which will be responsive to Africa's development needs and aspirations and which have a maximum demonstrational and multiplier effect. Hence we plan to channel much of our efforts into assisting the African leaders with basic educational planning and program development, teacher training, language training, the development and production of training aids and teaching materials, vocational and agricultural training programs, and related fields.

In planning our program for tropical Africa we have been assisted by the recent ICA-financed

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study "Recommendations for Strengthening Science and Technology in Selected Areas of Africa South of the Sahara"[8] prepared by the National Academy of Sciences–National Research Council. Dr. J. George Harrar, vice president of the Rockefeller Foundation, served as executive director of the study with a variety of United States and other country scientific consultants assisting.

In conjunction with the special emphasis on education and training, we propose that a portion of the $20 million program be used for activities which will encourage the African nations to work together on common problems of economic and technological development. Current political developments, as you are well aware, are tending toward a fragmentation of the continent into many separate units. The common bonds once provided by the European metropoles are fast disappearing with little to replace them. The African leaders themselves are concerned with this development and are seeking ways in which to establish closer ties between their countries. Both the political desirability of closer cooperation and the economic efficiency of bringing together their available resources and talents are sound arguments for the encouragement of regional cooperation. We plan to assist in this area through support to multicountry planning, conferences, workshops, and other related activities which you will be able to explore further when we discuss Africa specifically.

Justification of Magnitudes of Assistance

It is customary that I should dwell on these categories and purposes and explain to you the figures in the President's budget, as we are appearing before your committee to request authorization by broad category for particular purposes. And of course this is appropriate, although the President's budget message[9] delivered in January, his recent mutual security message, and the addresses of Secretary Herter and Under Secretary Dillon before this committee have set before you by category the amounts required and the purposes for which they will be used. Those who follow in the presentation to your committee will discuss in some detail these programs, explaining why the amounts requested are the amounts required for the accomplishment of United States objectives in the coming fiscal year.

I would also add that you will soon have before you comprehensive congressional presentation books which my staff, as well as other parts of the Department of State, the Department of Defense, and the Development Loan Fund, have been preparing for the last 2 months and which represent the final product of 12 months of effort. In these books we have tried to provide fully reasoned, considered statements justifying in detail the funds requested.

As Director of ICA and as one who has spent his adult life largely in the Foreign Service of the United States, I wish to add some comments on our defense support, special assistance, and technical cooperation programs which I believe are appropriate and which I hope may be useful.

I wish to state that the amounts requested of the Congress are minimum amounts for an effective program. We are requesting less funds in defense support for fiscal 1961 than are at present programed for fiscal 1960, more for special assistance and more for technical cooperation than is available for the present year.

Defense Support and Special Assistance

Also relevant is the fact that the Congress enacted last year section 503(c) of the Mutual Security Act, which called for the executive branch to present plans by country for reduction and elimination where possible of grant economic assistance in the categories of defense support and special assistance.

Your committee, I am sure, will discuss these plans in detail. However, at this point I would like to make a general observation. It appears to me that the manner in which our programs are presented to you and the way they are administered may well lead to the notion that our total defense support and special assistance programs are a summation of our responses to individual country situations. It may appear that with some work and good luck these individual situations can be remedied and then the United States can get out of the economic assistance business. In part, of course, this is a true representation of the picture, but only in part. It might be more correct to add that defense-support and special

[8] Copies of the report are available from the Office of International Relations, National Academy of Sciences, 2101 Constitution Ave., Washington 25, D.C.

[9] For excerpts, see BULLETIN of Feb. 8, 1960, p. 202.

assistance magnitudes are a function of the general state of international political and military relationships. In the long run the level of appropriations required will depend in large part on events beyond the control of either the United States or our friends and allies. Defense support and special assistance programs over the next several years may possibly go down significantly, or they may rise.

To illustrate my point, there are a number of indications that Communist China, a decade from now, will have grown economically to the point where its external "power" potential may exceed that of Russia at the beginning of World War II. We all recall the nearly universal belief in 1940 that the Japanese were a determined people with a low standard of living who had made some remarkable advances. But few people thought the Japanese strong enough to challenge the United States in mortal combat for a period of years. Likewise, we should recall that the relatively "underdeveloped" Soviet Union of the early 1940's was thought by many to be incapable of maintaining a massive and effective war effort.

If Communist China continues its rapid economic growth over the next decade (a real possibility), there will be an important power shift in the Far East and Southeast Asia. The free-world response to this power will, of course, depend upon the attitudes of Communist China in the conduct of its international relations. But we must not be caught by an economic or political Pearl Harbor.

When I speak of a Pearl Harbor, I have especially in mind a political, economic, and social offensive by the Chinese which might undermine or overwhelm the countries along the arc of free Asia from Afghanistan to Korea. Grant economic assistance in present, or modified, amounts and kinds will play an important role along the periphery of Communist China, stretching from the Near East and Southeast Asia to the Far East.

These countries must develop greater internal economic strength. It is in our own self-interest that these countries move forward as rapidly as feasible. In this forward movement we must devote increasing attention to helping the participating countries improve their plans and institutions for the encouragement of private enterprise among their own people and for attracting private external capital from the capital-exporting nations. The goal of increased investment cannot be achieved solely by increasing the flow of capital from government to government. This cannot provide sufficient capital for the economic growth needs of the developing countries. Equally important, it cannot carry with it the full range of skills and practical operating experience required for the success of industrial and commercial investments. Furthermore, unless there is an appropriate balance between the input of public and private capital, there is little hope of building or preserving the kind of economic society conducive to the protection of individual liberty and democratic concepts. Our program will therefore be directed in the coming year to the improvement, wherever possible, of the overall climate for increased private participation in the process of economic growth, to building or strengthening institutions dedicated to the advancement of this process, and to the creation of adequate facilities for the provision of capital to potential entrepreneurs.

Likewise, grant economic assistance must necessarily be a part of our program in Africa. This year we are instituting our new program at a level of $20 million. In reference to this program President Eisenhower said in his mutual security message:

> It is my belief that this initial effort must grow significantly in the immediate years ahead and complement similar efforts on the part of other free world nations so that the capacity of the new and other developing nations in Africa to manage and direct their development can be strengthened and increased rapidly and effectively.

We do not want, nor is it possible, to turn our back on this continent four times the size of the United States, with more than 200 million people. I believe this committee will agree with me that the degree of our involvement in the African Continent can be expected to increase rather than decrease. I believe you will further agree with me that we are facing a situation in Africa wherein grant assistance rather than loan assistance will continue to be a necessary tool in our response to many of the African needs such as education and training.

In summary, as you look at our detailed plans for the elimination or reduction of individual country programs of grant economic assistance in the forms of defense support and special assistance, I believe it would be most advisable to keep

in mind that these categories of aid are among the principal tools of United States foreign policy and that the use of them must be responsive to total world military, political, and economic developments.

Technical Cooperation

Despite the notable successes of the technical cooperation program, we must not automatically conclude or assume that the programs, methods, devices of the past two decades are necessarily the best ones in helping today's underdeveloped countries achieve their national aspirations and adequate rates of economic and social progress.

In the past this committee has been instrumental in expanding and strengthening the technical cooperation program. Therefore it is with pleasure that I report today that we are initiating a serious study of this program looking toward recommendations as to how it can be made an increasingly effective instrument in the decade ahead. We are establishing a technical assistance study group for this purpose. We are seeking the best man we can find to head this group. We will provide him with such outside consultants and special staff support as he feels are necessary for a thorough study. Preliminary staff work has already begun. We need to know better the types of activities which give greatest promise of success. We must be ready to accept new ideas and to experiment with new devices if we are to achieve maximum results. For example, we need to know more about the potentialities and value of what is often referred to as community development. Community development is variously described as a concept, a profession, a technique. In essence, however, it represents one approach to problems of village-level development and in a number of the countries in which it is now being employed gives great promise of being a successful approach.

In the Philippines it has taken the following form: Twenty-three million people live in over 20,000 small, rural communities. The late President Magsaysay believed that these communities should be organized to obtain greater local participation in community affairs if democracy were to continue to progress. A series of reforms were initiated after the last war. A new law became effective at the beginning of this year in which these rural communities were given quasi-municipal authority, including authority to levy taxes for locally initiated community improvement projects. The right to vote was extended to women and single men.

These represent changes of great significance for the Philippines, the importance of which may not be recognized by many of us in the United States where the concept of local democracy and local taxation is taken for granted, even though this concept has been a major factor in our political and economic progress. The ICA has given substantial support to this program for the past several years through allocation of appreciable sums of U.S.-owned local currency and by providing technical advisers.

We have been informed that the results of this cooperative effort are impressive. Over 20,000 community development workers have been trained. Projects are underway in each *barrio*. Funds are being used as a primary stimulant for initiation of more than 8,000 aided self-help community projects and 250 miles of *barrio* self-help roads each year. From April 1956 to June 30, 1959, some 21,000 self-help projects were initiated. About 75 percent of them have now been completed. These projects include such things as community centers, foot bridges, pure water supply systems, roads, and health centers. This is a program which touches a great percentage of the people of the rural Philippines in a very real and personal way.

Without prejudging the applicability of community development to each and every bilateral program, we can honestly say that had we waited for community development to have been fully accepted, professionally, the notable success of the Philippine effort might have been appreciably delayed.

Nor can we be satisfied with our accomplishments, nor with a reexamination of our past experiences to discover the way for future activity, nor with the addition of relatively new programs and devices such as community development. We must in ICA continuously raise our standards of what constitutes an acceptable level of performance from our personnel.

One example of our efforts in this field, and one which was initiated out of the special authorization of $8 million made available by this committee for fiscal year 1959, is the ICA contract with Boston University to provide a course and field survey on African studies, preparatory to the as-

signments of personnel to the new and expanding programs in Africa. There currently are 20 ICA personnel in the first course. A second course will begin this coming July.

In conclusion, I believe our program is responsive to the guidance received from this Congress. I believe our program responds to the restatement of policy which was explained in your committee report last year as follows:

"... our first major purpose is to encourage free peoples to stand on their own feet, to make their own choices, to defend themselves against aggression, and to create economic and political conditions under which the principles of liberty and human dignity can take root, grow, and ultimately flourish. . . . our global objective remains what it has always been: a world of freedom, justice, and peace in which all men may have the opportunity to develop freely and independently within the framework of their own cultures, religions, and national capabilities. Only in such a world can the United States develop freely and fully its own culture and national aspirations."

The DLF Program for Fiscal Year 1961

Statement by Vance Brand
Managing Director, Development Loan Fund [1]

I am gratified at the opportunity to appear before you today for the first time. It enables me to present what might be considered an annual report to this committee on the Development Loan Fund.

My report will have four parts: (1) a summary of our loan operations; (2) an explanation of recent policy and operating changes; (3) where our emphasis will be placed in the future; and (4) an explanation of why a $700 million increase in DLF capital out of appropriations already authorized is essential.

Before proceeding to these matters, however, I should like to comment on one aspect of the legislation before you and on the setting against which my subsequent remarks will be offered.

The legislation to which I refer is the proposed section 404 of the Mutual Security Act, which deals with the development of the Indus Basin.[2] Secretary Dillon has already discussed this matter with you,[3] and I understand that further elaboration will be offered during the regional hearings on the Near East and South Asia. I should merely like to add that, if the DLF is to play a useful role in this effort to be made in partnership with many countries and which the International Bank for Reconstruction and Development is organizing, it is essential that we have the authority to allow the use of our funds in accordance with the requirements, standards, or procedures of the IBRD. Certainly if each of the participating nations were to insist on the application of its own rules, the effective coordination of this complex effort would be seriously impeded. On the basis of its known record, we have every reason to be confident that the IBRD's own standards and procedures will result in a program as efficient as that which our own standards are designed to insure.

Because we at the DLF are concerned with the economic, technical, and procedural aspects of lending for development, my report to you necessarily deals with such matters. This emphasis, however, should not obscure the fact the DLF is an instrument of United States foreign policy and that its operations are attuned to that policy.

[1] Made before the House Foreign Affairs Committee on Mar. 1.

[2] See p. 442.

[3] BULLETIN of Mar. 7, 1960, p. 380.

You will recall that the legislation enacted almost 3 years ago specifically places the DLF under the foreign policy guidance of the Secretary of State.

There are, of course, other than foreign policy requirements which govern the scope and direction of our lending. The legislation and our administrative interpretations impose a variety of economic and technical criteria as well. Three principal criteria govern the direction of DLF lending: first, a major United States foreign policy interest in a high rate of economic development; second, a capacity to mobilize domestic resources and to use foreign assistance effectively in furthering economic development; third, a need for foreign resources which cannot be financed by other private and public institutions.

Lending Operations

I should like to turn now to an analysis of our lending activity. In doing so I should like to call your attention to the red presentation book which we have placed before you. It contains, in much fuller detail than I can provide in the available time, a discussion of the role and nature of the DLF, its detailed progress, a description of each approved loan, and comprehensive financial statements. You will note that the book is entirely unclassified.

As the chart on page 2 of the red book shows, the Congress has made available to the DLF a total of $1.4 billion for lending purposes. As of January 31 of this year, $958 million had been committed for lending, representing 118 specific direct loans and loan guaranties in 43 countries.

Now I am sure there are some who are wondering why $700 million in additional capital is being requested when more than $400 million is still available for commitment. I am afraid that these doubts rest on an erroneous notion that there is a monthly, quarterly, semiannual, or other short-range rate of activity which suggests the level of future funding that is required.

On the basis of some years in this field I am convinced that development lending does not and cannot take place in this fashion. Its commitment rates are inevitably erratic, owing to the varying amounts of time needed to bring a project or program to readiness and the wide range of costs covered by development projects.

But additional factors bear on the operations of the DLF this year. A considerable amount of my time and of the staff as well was spent in a review and assessment of policies and operations a matter to which I will return in a few moments Furthermore, the new requirement that sectio 517 of the Mutual Security Act apply to DLF ha had an effect on the timing of our lending. Com pletion of basic engineering and reasonably firm cost estimates prior to the actual obligation o funds, which takes place when a formal loan agree ment is signed, would constitute compliance wit this section of the act. However, in the interest o more effective compliance with the intent of Con gress, we normally require that such conditions b met before submitting a loan to the Board of D rectors for approval. Moreover, we are now un able, as we were in the past, occasionally to co clude a loan agreement which makes the compl tion of basic engineering a condition precedent t disbursement.

These factors all had their effect on DLF oper tions at about the same time. Now, however, w are moving ahead rapidly once again. We ha on hand substantially more proposals than fund and we expect to commit the balance of our avai able resources before the end of this fiscal year.

The bulk of our lending through January 31, you can see from the charts on page 3 in the re book, has been in South Asia, the Near East, an the Far East and for the purpose of developin transport and communications, industry, an power.

For a detailed breakdown of our activity, I ref to the section entitled "Approved Loans." The we summarize the various phases of our lendin activity by region, by individual loan, and by fisc year. The bulk of the section consists of detail descriptions for all loans approved thus far.

I should like particularly to call your attenti to the Development Loan Fund's support of p vate enterprise, a record which I believe is alrea substantial but which must be further expand in the future. Of the total loans and guaranties a proved for specific projects and programs throu January 31, 1960, $304.1 million, or 32 percent, for the direct benefit and use of the private sect Forty-three loans and two loan guaranties were a proved for this purpose. About $160 million of t total consists of transactions with private borro ers and intermediate institutions which relend private entities. The balance went to governme who will make the foreign exchange thus secu

directly available to private industry. Our activities in connection with private investment are explained in a separate section of the book beginning on page 23.

Returning to our financial situation for a moment, you will note that it is summarized in a table on page 5 of the red book and that complete statements are provided in the last section of the book. These data show that formal obligations, disbursements, and income are all rising steadily.

Our disbursements are substantially behind formal obligations. This is to be expected, given the nature of our activity. One can expect a gap of years, as the experience of the Export-Import Bank and the IBRD shows, between the conclusion of a loan for a development project or program and the final disbursement of funds against that loan.

Recent Changes

The picture to which I have just drawn your attention is one of considerable activity—considerable activity right from the start. And this is as it should have been. The DLF was born with an important foreign policy mission, and it was confronted almost at birth with far more urgent and legitimate requests for its support than it had funds to satisfy.

At the same time, it was new, with a unique mission—a substantially new type of operation under the Mutual Security Program. There was no existing pattern of operations which it could simply adopt in full detail as its own. It was necessary, therefore, to create the organization, procedures, and policies which seemed best suited to its particular purposes and scope.

For every organization there comes periodically a time of stocktaking; no organization can remain static in this rapidly changing world. Early last fall it seemed particularly appropriate that the DLF itself pause to take stock. It had by that time accumulated approximately 2 years of operating experience, sufficient to judge the operational choices made in its earliest days. Several studies of its policies and organization already had been initiated. Moreover, as I took over my responsibilities as Managing Director in early September, a self-assessment seemed appropriate and timely.[4]

[4] For an address made by Mr. Brand on "The Future Course of the Development Loan Fund," see *ibid.*, Nov. 2, 1959, p. 635.

The results of this appraisal should be gratifying to those who guided the DLF during its early stages. The basic approach then charted still seems sound; the early decision to emulate the Export-Import Bank and the IBRD insofar as circumstances would permit has proved to be correct.

However, as a result of this review, the Board of Directors has decided to institute certain changes. With some of these you may already be familiar; others may be new to you. They include an internal reorganization of the DLF, a reduction of the application backlog, and a change in procurement policy. It is these changes that I would like to discuss.

However, lest I leave you with the impression that this review was confined to Washington or that it was concerned solely with organizational, procedural, and broad policy matters, let me first emphasize that a substantial part of the appraisal took place in the less developed countries themselves and included within its scope loans already approved, and pending and prospective applications as well. Over the past few months all of our senior officials, our senior loan officers, and most of our engineers and economists have spent at least several weeks each visiting the less developed countries with which they are concerned. Two of the six months I have spent with the DLF have been taken up with a travel schedule covering over 50,000 miles—as much as 4,000 miles in a single country. In the course of visits to seven countries reaching from Taiwan to Spain, I looked intensively into our present operations and conducted various negotiations.

In the course of these visits numerous problems involved in the implementation of approved loans were worked out, DLF policies and operating procedures were clarified, and the DLF's requirements for the information which must accompany applications were explained to many who are unfamiliar with the practices of a development financing institution. As a result, our borrowers, our applicants, and we ourselves are now better equipped for more efficient and expeditious joint endeavors.

Organization Changes

In the course of this self-assessment we concluded that certain functions were understaffed, that others being performed by ICA would prove more effective under DLF management's direct control, and that a general reorganization would

result in a more coordinated and efficient operation.

The resulting reorganization is graphically illustrated on page 15 of the red book and detailed further on page 101. I should like to draw your attention to three of its aspects in particular. First, we now have a Deputy Director for Private Enterprise, who, with an augmented staff, is expected to strengthen our activity in that sector. This is a matter I will discuss further in a few minutes. Second, the new reorganization makes provision for the installation and operation of a system of audit and accounts within the DLF itself, in accordance with the recommendations of a private consulting firm. This function is now being performed by ICA on a reimbursement basis. Third, the new organization provides for increased emphasis on engineering, economics, and financial analysis.

Reduction of Backlog

We were also struck in the course of our review with the continuing large size of our application backlog. It had been running at $1.5 billion for more than a year. It was evident, given the resources then at our command, that we could not, within the next year or so, commit funds in that amount. Under these circumstances it was apparent that many applicants would remain uncertain as to the fate of their proposals for a year or more and that this uncertainty might culminate in disappointment. This state of affairs seemed neither fair to the applicant nor prudent in terms of U.S. foreign policy. We therefore elected to return to the applicants all proposals on which action could not be taken within the current fiscal year or a few months beyond. This process is still going on; when it is concluded we anticipate that the backlog will have been reduced to between $800 and $900 million. Thus, our current backlog is not a measure of our full lending potential.

Many of the proposals which we turned back for lack of funds this year will undoubtedly return in the next. And from our recent travels we know of many more applications which are in process or which will be submitted when more funds become available to the DLF.

Procurement Policy

I should now like to turn to a basic shift in policy which has been the subject of substantial public discussion and, if I may say so, considerable misunderstanding. I refer to the Development Loan Fund's procurement policy announced on October 20 of last year.[5]

On that date I announced that the DLF would thenceforth place primary emphasis on the financing of goods and services of U.S. origin. The phrase "primary emphasis" was carefully chosen. We recognized that it would be necessary on occasion to finance other than U.S. goods and services in order to avoid undue hardship to our borrowers.

Basically this change was an attempt to improve our fulfillment of the congressional mandate that the DLF take into account, in connection with any financing transaction, "whether financing could be obtained in whole or in part from other free world sources on reasonable terms." We had observed, in examining many proposals entailing non-U.S. procurement, that sufficient financing on reasonable terms from the nation likely to be the source of supply was difficult if not impossible to arrange. Yet we knew that the other industrialized countries of the Western World were in a much improved economic position, capable of expanding considerably their development financing on the terms that the less developed countries require.

It was evident that our previous procurement policy deterred rather than encouraged the creation of financing institutions providing long-term credit on reasonable terms. As Secretary Dillon indicated to you several days ago,[6] there is already some evidence that our new policy is beginning to encourage the expansion of such credit. It is only fitting that other industrialized nations provide more long-term loans on reasonable terms to finance their own exports to the less developed areas.

The Future

This, then, is where we are. But where are we going? Our recent experience suggests that an increased emphasis in two directions is essential.

First, we must expand and focus our resources in those places where conditions are the ripest for economic expansion. With the goal of greater self-sufficiency in mind, we can make our most effective contribution to the less developed coun

[5] *Ibid.*, Nov. 16, 1959, p. 708.
[6] *Ibid.*, Mar. 7, 1960, p. 380.

:ries by enlarging our effort where the will and lisciplined self-help essential to sound growth are ılready in evidence and where the institutional and ıuman resources are capable of accelerating the levelopment effort in an efficient manner.

We plan, therefore, given a sufficient increase in ›ur capital, to undertake in the next year a major ›ffort in South Asia and in Taiwan. Others have ılready testified, and more will be said in the regional testimony on South Asia and the Far East, 'egarding the basis for these choices. For the Development Loan Fund, I should like to affirm our 'iew that the potential exists in these areas for ›onsiderably increased lending against sound projcts and programs.

Several weeks ago I returned from a month-long rip in the company of our loan officers and engineers which took me to India and Pakistan. A taff-level team has also recently completed a visit o India, where it surveyed future development ›rospects. On the basis of what we now know, hese two south Asian countries will be able in the ıext fiscal year to initiate far more development ›rojects and programs, for which financing is not 'et assured, than even the increased capital we are equesting could support. We expect that, as in he past, substantial financing will be made availble by other free-world sources, and we hope that he amounts will rise. But even under optimistic ssumptions regarding contributions from elsewhere in the free world, the unfunded remainder onstitutes a potential for substantially increased)LF activity in this area.

On my recent trip abroad I also visited Taiwan.)ne need only see the substantial economic adances already made and talk to the skilled and edicated businessmen and public officials who ave vitalized this island economy to appreciate he considerable economic potential of Taiwan. 'iven sufficient sound applications, I am coninced that the DLF can expand its lending in 'aiwan to a substantial degree and thereby paricipate with the Government of the Republic of 'hina in its program to move more rapidly toward elf-sufficiency.

I should not like to leave the impression that we ccord any less importance to areas other than hose I have just mentioned. We expect to make ubstantial loans in several of the Latin American ountries. Our operations in Latin America will ontinue to take into consideration the fact that he Export-Import Bank, IBRD, and now the Inter-American Development Bank will be active in the area. Congress has, of course, made clear that, where other sources of financing are available, the DLF should not be active.

We are aware that many of the countries on the African Continent are keenly interested in economic progress which will contribute to the advancement of their peoples. Many are increasingly ready to use more capital effectively; others still face the task of improving the domestic supply of technical and administrative skills. We are today working with several of the African countries on specific proposals, and our interest is substantial.

Private Enterprise

I should like to turn now to another area in which, I believe, increased emphasis is essential.

When it created the Development Loan Fund, the Congress reaffirmed that ". . . it is the policy of the United States . . . to strengthen friendly foreign countries by encouraging the development of their economies through a competitive free enterprise system . . . [and] to facilitate the creation of a climate favorable to the investment of private capital. . . ."

We in the Development Loan Fund regard this emphasis on private enterprise in our basic law as a clear mandate to work with and through the business community to the utmost extent possible. Our task, as we see it, is not merely to assist less developed countries but to assist them in ways that will reflect, reinforce, and use free enterprise.

While DLF assistance to private enterprise has been substantial, my travels abroad and throughout this country have provided convincing evidence that a substantially accelerated effort in this direction is now possible. American business is increasingly ready to extend its investments if it can obtain assistance in partially sharing the risks presented by new and unfamiliar markets. Risk sharing through the provision of loan capital can often be the decisive factor in enabling private enterprise to embark upon major projects of considerable importance and significance to U.S. foreign policy interests.

Lest I leave the impression that our interest in free enterprise is confined to the large projects in which substantial American interests invest, let me emphasize our interest in and support of development banks or loan funds which extend long-term credit to small businessmen. To such

institutions the DLF had extended 14 loans and one guaranty totaling almost $75 million by January 31 of this year. Thirty-three loans under $100,000 have been made by such institutions as the result of DLF credits.

Our own American experience highlights the importance of such lending to our objectives in the less developed areas. We know from long experience how the viability of a free economy rests on the small entrepreneurs who form its core. And we also appreciate that without a strong middle class, comprised largely of independent, small businessmen, free institutions have an uncertain foundation.

Proposed Increase in Capital

It is with this record and this view of the future that the Development Loan Fund is now approaching the Congress for a $700 million increase in its capital. New financing in this amount, out of funds already authorized, would enable the DLF to expand its lending operations to a level in fiscal year 1961 about $150 million higher than it attained in each of the 2 previous fiscal years.

This increase is essential if the DLF is to continue its activity in most of the 43 countries to which loans have already been extended, expand its operations selectively in those countries where rapid economic gains are potentially the greatest, and enlarge its support of private U.S. capital in its efforts to join in the development effort abroad.

Beneath these reasons for a higher level of lending by the Development Loan Fund, however, lies another, more fundamental one. It originates in the wish, as expressed in section 503(c) of the Mutual Security Act, that bilateral grants of economic assistance be progressively reduced and terminated. I think you will agree that a principal means of reducing the need for such assistance are those courses of action which hasten economic growth and self-sufficiency. Certainly the developmental loans of the DLF are one such means. The goal expressed in section 503(c) argues, I believe, for a larger role for the Development Loan Fund.

In preparing this request we have taken into account an anticipated rise in capital available from international institutions and other nations. We have assumed that the Inter-American Development Bank will undertake some of the lending in Latin America during fiscal year 1961 which the DLF would otherwise assume, that the International Development Association will not commence operations until late in the year, and that our efforts to increase the contributions of other industrialized nations to this effort will be substantially successful.

Applications, moreover, are still being received at a rate in excess of our available funds. On the basis of the discussions throughout the world which I have already described, we know of apparently sound applications in preparation which together with those now on hand, would require even more than the funds we are now requesting.

Conclusions

Mr. Chairman, I again thank you for this opportunity and in closing reiterate my own firm conviction that the Development Loan Fund which is about to pass its first $1 billion in lending commitments, has well served and will continue to serve an essential national purpose in helping people throughout the world to maintain free societies.

Congressional Documents Relating to Foreign Policy

86th Congress, 2d Session

Joint Resolution To Promote Peace and Stability in the Middle East. Fourth report of the President covering activities through June 30, 1959, in furtherance of the purposes of the Joint Resolution To Promote Peace and Stability in the Middle East. H. Doc. 342. February 15, 1960. 4 pp.

The Antarctic Treaty. Message from the President transmitting a certified copy of the treaty signed at Washington on December 1, 1959, by the United States and 11 other countries. S. Ex. B. February 15, 1960. 19 pp.

International Convention for the Prevention of Pollution of Sea By Oil. Message from the President transmitting a certified copy of the convention which was signed at London on May 12, 1954, in behalf of certain states but not the United States. S. Ex. C. February 15, 1960. 34 pp.

Commonwealth Parliamentary Association Meeting, Canberra, Australia, 1959. Report of the delegation appointed to attend the Commonwealth Parliamentary Association meeting November 6–7, 1959. S. Doc. 8. February 16, 1960. 22 pp.

The Convention of Paris for the Protection of Industrial Property. Message from the President transmitting a certified copy (English translation) of the convention of March 20, 1883, as revised at Brussels December 14, 1900; at Washington June 2, 1911; at The Hague November 6, 1925; at London June 2, 1934; and at Lisbon October 31, 1958. S. Ex. D. February 17, 1960. 22 pp.

Mutual Security Program: Summary Report on Grant Economic Assistance Relating to Defense Support and Special Assistance Programs

Following is (1) the text of a letter of transmittal dated February 29 from Acting Secretary Dillon to the President of the Senate and the Speaker of the House of Representatives which accompanied a full classified report submitted to the Congress pursuant to section 503(c) of the Mutual Security Act of 1954, as amended, and (2) a general summary report submitted on March 4.[1]

'ress release 100 dated March 4

.ETTER OF TRANSMITTAL

DEPARTMENT OF STATE
Washington, February 29, 1960

The President has directed me to transmit to he Congress, pursuant to Section 503(c) of the Mutual Security Act of 1954, as amended, a report f the plans of the Executive Branch for progresively reducing and terminating, wherever pracicable, bilateral grants of economic assistance in he Defense Support and Special Assistance cateories. There is attached a full report together ith an annex projecting the future of these proams country by country, which of necessity, beause of the sensitive nature of the contents, is eing furnished on a classified basis. A general immary report which is unclassified is being preared and will be provided to the Congress in a ew days.

[1] For text of President Eisenhower's message to Conress on the Mutual Security Program for 1961, together ith statements by Secretary Herter and Mr. Dillon, see ULLETIN of Mar. 7, 1960, p. 369. For statements by imes W. Riddleberger, Director of the International ooperation Administration, and Vance Brand, Managing irector of the Development Loan Fund, see pp. 445 and 3.

For a number of years, programs of grant economic assistance have been proposed by the Executive Branch and approved by the Congress as the most effective means of promoting the attainment of United States objectives. Such programs have been annually reviewed by both branches of the government. These programs have served our national interests over a wide range of special and emergency situations and have contributed measurably to our security. They have been an indispensable instrument of foreign policy over a period of rapid and sometimes violent change. Thus, in formulating plans for progressively reducing and eventually terminating such programs we have had to review the objectives of these programs and to determine whether there were alternative and equally satisfactory methods of securing these objectives.

An intensive review of the goals of our economic assistance programs has been made by the executive agencies concerned. This review has confirmed the main conclusions of studies of our foreign aid methods undertaken by the Congress and the Executive Branch in 1956 and 1957. During the past few years, there has been a reduction in the amount of grant aid, particularly for countries receiving Defense Support assistance. For fiscal year 1961 the requirement for Defense Support is $111 million less than was requested last year. There has been a gradual but continuous shift from grant to loan programs.

The principal means of reduction in grant aid is in courses of action which will accelerate the process of economic growth in less developed nations and hasten their economic independence. This argues for increased emphasis on economic development loans and a larger role for the Development Loan Fund. It also indicates a need for

reform of these economic policies and administrative weaknesses in the major aid-recipient nations which stifle initiative and impede economic expansion. Our future plans take account of these requirements. Economic growth, however, is not susceptible to precise scheduling. Conditions under which progress is possible can be described, and our energies and resources can be concentrated to these ends, but no timetable of achievement can be advanced. The accompanying report indicates the numerous conditional factors which may affect our future courses of action.

More generally, however, we must allow for ourselves a range of flexibility in the instruments and techniques of our foreign policy for the uncertain years ahead. The accomplishment of our mutual security objectives, upon which everything depends, will require not only the devotion and energies of the men and women responsible for the day to day conduct of our activities abroad but also the availability of resources in the forms most suitable to the tasks to be performed.

We have now, under the Mutual Security Act, methods of assistance designed for our several military, political, and economic purposes abroad. In the past, we have found grants of economic assistance indispensable to some of these purposes. Our review of goals, and our assessment of the prospective world environment within which these goals will be sought after, argues very strongly that this will continue to be the case for some years to come.

Economic progress in the poorer nations remains an abiding problem of our times. The great gulf between living standards of the people of the industrial countries and those of the developing countries must be narrowed. As the accompanying report indicates, we look forward to the possibility of gradually diminishing needs for grants of economic assistance abroad and for an increase in emphasis on loans for the direct objective of economic development.

The continuation of or the termination or reduction of grant assistance proposed in this report represents the best judgment based on the current situation in each of the countries concerned and in the world as a whole. However, we all realize that this is a time of fluid political conditions in which political change is frequent and sometimes drastic and unexpected. It is entirely possible that conditions may change so rapidly and so greatly that it would be possible to speed up the timetable in some countries, or it may be necessary to slow it down in others. As the proposals in this report are being implemented, it will be necessary to keep each country situation under constant review in order to ensure that our actions are consonant with conditions at the time.

Sincerely,

DOUGLAS DILLON
Acting Secretary

TEXT OF REPORT

Preface

Section 503(c) of the Mutual Security Act provides a follows:

The President shall include in his recommendations t the Congress for the fiscal year 1961 programs under thi act, a specific plan for each country receiving bilatera grant assistance in the categories of Defense Support o Special Assistance whereby, wherever practicable, suc grant assistance shall be progressively reduced an terminated.

A detailed report in response to this statutory require ment is being submitted to the Congressional Committee considering the proposed Mutual Security Program fo fiscal year 1961. That report deals with general issue of foreign economic assistance policy raised by the amend ment. It contains planned courses of action with respec to future Defense Support and Special Assistance b lateral grant aid, projected country by country. The re port is of necessity classified because of the sensitive ma terial upon which it touches.

However, the subject of the report is of such genera interest and importance that it was deemed appropriate t provide, on an unclassified basis, as much of its genera content and conclusions as could be done without injur to the security interests of ourselves and of other nation which are involved. This unclassified version of the re port has therefore been prepared.

Introduction

Objectives. The reexamination of our forward pla ning under Section 503(c) required a review of the ob jectives of foreign economic aid programs and of th methods and instruments available for prosecuting thes objectives.

Our grant economic assistance programs to a very larg extent trace to military and political emergencies: th war in Korea, the military struggles in the Indochin peninsula, the political upheavals in the Near East, an the abrupt emergence of the new countries out of th breakup of colonial systems. Aid programs had to be d signed to strengthen weak and divided states, to he support military deterrents to aggression, and to co with urgent political problems in the new countries ar around the periphery of the Sino-Soviet bloc.

Grants of economic assistance were and are appropria to these circumstances and to our objectives in them.

We have in the Development Loan Fund an agency ar

economic resources for the specific and direct purpose of promoting economic development in the less developed countries. It provides aid for sound development projects and programs on a case by case basis. As a general rule, loan assistance is suited to the economic development purpose and under present policies is used for it.

This distinction of purpose is important to the planning of reductions in grants of economic aid. Given our different immediate objectives, grants and loans are not in a strict sense interchangeable. For many situations, the grant method is essential to the successful achievement of our aims. Plans for reducing grants of aid must seek progress toward our objectives rather than changes in the method of aid.

Means to reductions of grant aid. The varied objectives of our grant economic assistance programs make it impossible to establish a uniform pattern of planning. In a number of the smaller programs, a more or less clear path to our primary objectives can be marked out. In others, however, the attainment of our objectives depends on the success of a broad program of action, of which grant assistance is one part.

Special emphasis has been given to the problems presented by the major Defense Support programs in five countries: Korea, China, Vietnam, Pakistan, and Turkey. These five programs, it is presently estimated, will account in fiscal year 1960 for over 73 per cent of Mutual Security Act obligations for defense support assistance.

For this group of countries in particular, the only practicable means through which a reduction of grant economic assistance can be envisaged is to be found mainly in expansion of their own economic capabilities. This in turn depends upon our Mutual Security aid policies as a whole, upon the availability of other sources of economic assistance, upon the domestic policies and attitudes of the countries concerned and upon the extent and nature of internal and external pressures upon them. Our objectives probably will call for more development loan assistance as a part of the process; as a result the resources of the Development Loan Fund will be of key importance.

Taken as a whole, our plans do not project the termination of all present grant aid needs in a defined period of time. This seems neither possible nor desirable in the light of the known factors and our own objectives. Moreover, new needs for grant aid are likely to arise. The grant method of economic assistance is peculiarly well adapted to the purposes and situations to which it has been devoted. It has been an essential instrument of foreign policy and, in an uncertain world, promises to remain so.

After these necessary qualifications, however, it seems clear that the foreign economic aid program is moving, as rapidly as is compatible with our own interests, in the direction pointed to in Section 503(c). If the plans and programs discussed prove possible of realization, there will be gradual reductions in present grant economic aid requirements. If needs for grants for military and political objectives do decline, the emphasis of our economic assistance policy as a whole can be placed more and more on the longer run purpose of helping to foster economic growth. Our institutional and policy structure has already been partially redesigned for this objective. The opportunity to direct resources and energies to it in greater measure will be a welcome challenge.

The Objectives of Foreign Aid

GRANT ASSISTANCE PROGRAMS

Defense Support assistance, provided to 12 countries, is presently estimated to require $765 million in fiscal year 1960 and may have to be increased before the year ends. Among these countries, Korea, Vietnam, China, Pakistan, and Turkey are presently expected to receive about $575 million. The programs range from assistance for the construction of military facilities in the Philippines to general economic support for these major recipients.

The Defense Support programs are designed to provide, through grant economic aid, the margin of resources necessary to assure the capability of the recipient government to provide the military forces and strength mutually agreed to be required for the common defense. In the broadest sense, they are intended to prevent the economic retrogression and political instability that would follow if the country were to attempt to rely on its own resources to provide this degree of military strength. Our aid is thus provided for mutual objectives where the defense interest is paramount. It is for this reason that we consider these as objectives properly to be sought through grants of aid.

Special Assistance is a flexible category of economic aid which has as its broadly stated purposes the maintenance or promotion of political or economic stability abroad.

Programs in this category are being used to support friendly governments that have come under heavy external political pressure; to cope with political and economic emergencies; to maintain an American presence and interest in situations where Soviet or Chinese Communist efforts at penetration have been on a substantial scale; to provide economic aid for defense purposes where it has been found infeasible to enter into the usual mutual security relationship; to assist with small scale projects or programs supplementary to technical cooperation activities; and to provide assistance to projects, for example in the fields of health and education, which are of a nonloanable character.

Most of the bilateral Special Assistance programs are grant programs. Our objectives in these programs usually do not meet the criteria for loans or fit the procedures of established lending institutions. Special Assistance grants are provided mainly for projects or purposes in themselves economically constructive but not on their own merits reimbursable. A special case here is the support of activities directly related to technical assistance. In such cases, the loan method clearly could not serve our objectives. Each Special Assistance program, however, involves a separate judgment about the most effective means to the achievement of our specific aims, and in some cases Mutual Security loans, rather than grants, are used.

Validity of grant aid objectives. Do the general security and political objectives of the grant aid programs remain

valid? The answer to this depends basically on judgments about the kind of world in which our foreign policy will have to be conducted in the years immediately ahead.

These give no present basis for expecting that the underlying conditions which created needs for grant aid in the past will now disappear. In Asia, the divided countries and the newly independent states continue under the ominous shadow of the Communist Chinese regime. The Near East is still politically unstable. The process of rapid political change in the less developed areas as a whole seems certain to continue. The Communist subversive effort, worldwide, is not diminishing. The realities of the military balance between East and West give no satisfactory basis for looking forward to a declining level of defense requirements and particularly not to a declining requirement for defense against local aggression.

Against this background, the overall purposes of the Defense Support and Special Assistance programs are sound. It is in our interest to share the burdens of mutual defense, to support or assist countries exposed to unusual political or military hazards, and to help new countries to get off to a favorable start as independent states. We need economic assistance methods suited for these objectives. To reduce or end the requirements for grant aid by altering or abandoning the goals of such aid is a conceivable but not an acceptable approach.

LOAN ASSISTANCE

Under our current policies economic development assistance is provided, as a general rule, as a loan, and under the Mutual Security Act by the Development Loan Fund which for the current fiscal year has received appropriations of $550 million for lending.

Our national interest in the economic development of the less developed countries is well recognized. The wide, and in some cases growing, disparities in standards of life as between people in the industrial countries and those in the less developed nations make for a profoundly unstabilizing force in the world. Expectations of a better future have been aroused and persist. Unless there is economic expansion, population growth alone will frustrate them. We can ill afford to have whole societies increasingly embittered and despairing. Even on the narrower ground of sustaining our material prosperity, we need in the underdeveloped areas more productive countries which can also be better customers and trading partners. Economic development is one of the prerequisites to an evolution of the world which will enhance our national safety and well-being.

Obviously, economic development is not set aside as the objective of only one instrument or method of policy. Our technical assistance programs always have been directed specifically to helping develop the basic skills and institutions necessary to economic growth. Our grant economic programs help to set a floor of economic activity from which economic expansion is possible; or, in assisting toward other objectives, they provide some of the resources needed for development. Our sales of agricultural surpluses for local currencies are related to the economic development objective.

At the same time, there is a need for a method of economic assistance having development as its *primary* objective, with its procedures and techniques created for this main purpose. This was a basic conclusion of the intensive studies of foreign economic aid carried on in 1956 and 1957 by the Executive Branch and by the House of Representatives and the Senate. These studies uniformly agreed that our foreign economic aid program had to be devoted to a variety of purposes and that each of these purposes should be pursued by methods specifically suited to it. In the case of economic development, it was concluded that the proper instrument would be an agency to make loans on flexible terms for the financing of development programs and projects. To give effectiveness to this judgment, the Congress and the Executive Branch established the Development Loan Fund.

The choice of the loan method of providing assistance for the purpose of economic development derives from two principal considerations.

First, the economic development of another country, while clearly in our general and long term interest, does not normally represent a requirement of such urgency from our point of view as to necessitate the provision of grant assistance. The growth of an economy depends on more than the provision of additional resources. If the determination and capability to achieve growth exists, the loan technique for financing development is suitable to the interests of both the lender and the borrower.

Secondly, there is the question of repayment. Financing of the creation or expansion of economic capabilities and facilities which help create the means for repayment, is logically to be provided through lending.

Aid in the form of either grants or loans can and should be so administered as to encourage sensible and sound economic and fiscal policies. The use of the loan technique is not incompatible with this objective. The process of preparing and justifying loan requests can itself be a part of the broad process of economic growth. The lending agency can require that loan applications reflect an examination of relative economic needs and priorities, expressed in terms of costs. It can also require the would-be borrower to view possible expenditures in the light of basic economic considerations. These actions help to impose a desirable economic discipline on the borrower.

Prospects for Achievement of Short Run Objectives

The foregoing discussion argues that, while the grant and loan programs under the Mutual Security Act are closely related, loans are not in a significant degree substitutable for grants. This follows because our objectives fix the pattern of aid as between loans and grants. Reductions in grant economic aid depend on progress toward the particular objectives of the Mutual Security Act rather than on a shift among the economic aid methods of the Act.

The variety of the grant aid programs makes it impossible to project uniform courses of action for expediting the achievement of their objectives. In a number of cases,

ır objectives are limited and it is feasible to schedule ore or less firmly future reductions in grant aid. In hers, we have set target dates for the termination of esent programs. In a few instances, on the other hand, e context within which our grant economic aid is pro-ded gives no basis for expecting or planning reductions that aid.

Finally our major Defense Support programs present unique set of issues and problems. Among these, the ograms for Korea, China, Vietnam, Pakistan, and Tur-y are expected to account in fiscal year 1960 for an timated 73 per cent of all Defense Support economic sistance. Because of their magnitude, these programs ıd the planning for them have been considered in more tail.

ıe Problem of Reducing Defense Support Grant Aid

Magnitude of deficits. In each of the major Defense ıpport countries there is a very large gap between, on e one hand, total requirements for goods and services d, on the other, the capabilities of the local economies produce goods and services to match these demands. ıis gap, or deficit, is especially large in Korea, in kistan, in Vietnam, in China and in Turkey. In each se, it is attributable in whole or in large part to the sts of military forces maintained in the mutual de-ıse. Grants of Defense Support aid are intended to ıke possible the continued maintenance of those forces filling a portion of the deficits.

In considering the problem of dealing with deficits of s magnitude, two initial assumptions are made. One ates to the defense budgets which directly underlie deficits, the other to the continuing availability of icultural surpluses as a partial means of meeting deficits.

Defense budgets. In the Defense Support program ıntries, however, the Communist threat is a highly im-diate one. If the free world is to have a flexible capac-for meeting that threat, effective local forces are re-red in the most directly exposed areas. This is a uirement that does not now appear to be susceptible ɔeing diminished significantly.

f, however, developments make it feasible to hold de-se budgets more or less stable, increased economic ıabilities can then be devoted to productive investment l to meeting the consumption needs of growing ɔulations.

Agricultural surpluses. An important contribution of ɔurces has been made to grant aid countries through ıl currency sales of surplus agricultural commodities ler the provisions of the Agricultural Trade Develop-ıt and Assistance Act, usually known as Public Law . Among the countries having large Defense Support grams, Pakistan in 1959 received $86 million of agri-ural commodities, Turkey $35 million, Korea $34 lion, and China $13 million.

he utility of surplus agricultural commodities in spe-country situations is strictly dependent, of course, our availabilities in relation to the ability of countries cerned to absorb amounts in excess of normal require-ments. Where all requirements for the particular commodities that we have in surplus are satisfied, through local output or normal imports, there is no possibility of Public Law 480 commodities supplementing Mutual Security Act assistance. Also, especially in the case of food grains, fairly small increases in domestic production will often make the difference between shortage and sufficiency. Wide shifts in requirements from year to year are thus quite possible.

It is anticipated, nevertheless, that sizeable demands for surplus foods and fibres over and above normal needs will continue in the countries receiving grant economic aid. The assumption is made, therefore, that it will be possible, as in the past, to serve important economic purposes with surplus agricultural commodities on terms similar to those of Public Law 480.

Economic Development. The most promising means of reducing Defense Support needs is through the more rapid economic development of the countries concerned. We intend to take vigorous and specific actions looking to an expansion of the domestic economic capabilities of the countries now requiring heavy grants of Defense Support aid. To the extent that such measures expedite economic development, the economic deficits of the aid receiving countries will diminish, and with them the needs for grant economic aid.

This approach, it should be stated frankly, does not lend itself to a timetable of scheduled aid reductions. Economic development is a highly complex matter. We can identify the main elements in it but there are many uncertainties about the forces that affect them. Present techniques and information allow forecasts about trends and directions of change, but we do not have the tools for predicting specific magnitudes.

Furthermore, United States policies and actions have limits of effectiveness. Our aid programs, even the very large ones, make up small fractions, rarely as much as one-tenth, of the total resources involved. As for the policies and attitudes of other governments and peoples, which are critically important variables, we could not and indeed would not take responsibility for deciding them on a unilateral basis.

These limitations on our ability to foresee or manage events in detail make it clear that we cannot set some stated level of economic activity in another country as an objective of American policy. The issue cannot be that much under our control.

The possibilities for expediting economic development are broadly favorable, however. Economic growth has occurred in the grant aid countries and, in many countries, has outrun population growth by varying margins. For example, the Republic of China since 1956 has had an estimated 1.5 per cent rate of increase annually in per capita output.

For some of these countries, the recent past has been devoted to building basic political institutions or, as in Korea, to rebuilding from a devastating war. The next phase, in the absence of new military threats and tensions, can be one of emphasis on progress toward economic viability. This is also the view of political leaders in power in these countries.

Our planning problem is to identify—and our intention is to act vigorously in—the areas where our actions can be most effective in providing the means, or removing the hindrances, to economic development.

In a broad sense, these are, first, capital assistance for expanded investment and, second, actions that will help to make existing and future investment more productive.

Investment assistance. This is a matter for development lending on our part, and on the part of other industrial countries and the international agencies. As time goes on, private foreign investment should make up an increasing element in it.

Our forward planning is based heavily on the proposition that lending agencies will increasingly be able to finance sound development projects and programs outside the probable range of private investment in the countries receiving grant aid.

The Development Loan Fund, which can meet a range of developmental needs, without putting unmanageable immediate burdens on the international accounts of the less developed countries, is particularly important in this respect. Its continued functioning, with substantial resources and flexible techniques, will be an essential feature of the approach outlined here.

An aggressive and effective program of development financing will require in some countries that our technical assistance personnel and our field missions provide help and guidance in planning development projects and programs. It may also involve experiments with new lending techniques by the Development Loan Fund, especially in relation to the provision of limited credits on which countries could draw if increased imports resulting from an accelerated development effort created unusual temporary strains on their balance of payments.

A substantial amount of foreign economic assistance already is provided by other nations or comes from international financial institutions. The United States is currently seeking to encourage larger contributions from Western Europe and Japan to the general task of economic development in the less developed countries. The outlook on this score is favorable. Further, the capital of the International Bank for Reconstruction and Development has been increased and agreement has been reached on the creation of the International Development Association. The trend is toward an expansion of public and private capital flows to the developing countries.

This process will have an indirect effect on future grant aid requirements. It is not possible, obviously, to forecast the amounts of increased economic assistance that will go to individual countries. Moreover, the needs of the developing nations as a whole for investment capital will for a long time be larger than available supplies. Nevertheless, some of the Defense Support countries probably will be able to obtain added assistance for the economic development needed to reduce the huge resource deficits that now exist.

Possible flows of private capital to the countries under consideration cannot be estimated even roughly. We believe, however, that there is room, in these countries as in many other less developed nations, for meaningful improvements in policies and attitudes bearing on private foreign investment. This is a critical point for economic development prospects. It bears not only on supplies of capital but also upon the likelihood that such capital will be fully productive.

Productivity of investment. The second part of a program for economic development must stress improvements in those factors that restrict the productiveness of investment.

Our technical assistance already has made major contributions to creating or expanding the basic skills and institutions that are necessary. This is clearly, however a long term process. We shall need to continue training programs and advisory services on a substantial scale as an essential complement to our foreign economic assistance.

The productivity of capital, and the supply of capita as well, is dependent on government policies and attitudes.

This is a matter of key importance. Capital assistance from public sources can break investment bottle necks and provide resources that would not otherwis be available. But such investment must have an environment generally favorable to economic activity if it productivity is to be maximized. The creation of suc an environment is a part of the economic developmen problem.

There is no specific formula for this. In fact, the polic issues are seldom clear cut. Usually they are combine with sensitivities that, as a practical matter, affect th exercise of our influence. Nevertheless, where it is plai that potentially remediable policies of another governmer perpetuate the needs for extraordinary assistance, we ca properly look for ways to cooperate in amending thos policies. Or, on the other side, where opportunities ap pear for collaboration in positive programs to foste economic development, it will be in our interest to vie them sympathetically.

Specifically, we have a legitimate interest in consultin with aid receiving governments on such matters as:

Policies and attitudes toward the private business secto including private foreign investment.

Fiscal and tax policies, as they relate to investment ar to price stability.

Proposed increases in military expenditures.

Exchange rates and foreign trade regulations and co trols.

Economic development plans and programs.

Specific applications. Plans embodying the dual a proach outlined above are spelled out in the classifi report submitted to the Congress. Although these pla list specific possibilities for future reductions in gra Defense Support, they point to economic growth as t chief means to progressive cuts in grant aid requiremen

In the case of China, we have received from that Go ernment a proposal for the hastening of progress towa independence from extraordinary grant economic aid. T Government of China has put forth a series of measur it would take to accelerate the rate of economic expansi in Taiwan. These are designed, in the main, to give p vate enterprise greater scope and incentive. We consid that the momentum already achieved by the Taiw

conomy holds out relatively unique possibilities for the uccess of this kind of effort.

We propose, subject to Congressional appropriations, to rovide within Defense Support grant assistance for FY 961 an incentive component to be used for additional mports required in connection with an accelerated rate f domestic investment and to encourage the Chinese overnment in taking the measures necessary to induce he acceleration. It is anticipated that the result of these ctions will be additional needs for imported machinery, quipment, structural steel, spare parts, and industrial raw naterials. If such demands were to go unmet, strong nflationary pressures would be created and the economic rowth process retarded or distorted. The assurance of sufficient volume of imports is thus essential to the sucess of the program.

This is frankly an experimental approach. While ve regard this grant economic assistance as essential to aunching the new program, we believe the principal support for development should be the Development Loan Fund. Thus we will review, in the light of the year's xperience, the roles of grant and loan aid in meeting uture requirements.

Additionally, we expect from the Government of China much increased volume of requests for loan assistance or development projects in the public sector. There ppear to be good opportunities, also, for Development Loan Fund credits and guarantees for Chinese and foreign private investors on a sizeable scale.

This program for Taiwan, it is to be stressed, emphaizes both elements of an economic development program. We propose, on the one hand, to increase the flow of nvestment capital to Taiwan, while on the other we xpect from the Chinese side that a range of governmental policies bearing on the productivity of capital, particularly n the private sector, will be rapidly liberalized.

Conclusions

This report has discussed the special roles assigned to rant economic assistance under our present foreign aid policies. Grants of economic aid have served the national interests over a wide range of special and emerency situations and have contributed measurably to our ecurity. They have been an indispensable instrument of oreign policy during a period of rapid and sometimes iolent change. Every indication is that we shall coninue to need the grant method of providing aid if we re effectively to prosecute our objective of a peaceful nd stable world.

There are some prospects, however, for a declining level f grant aid requirements. This follows, in part, from rogress toward the specific objectives of many of our rant programs and in another part from the expectaion that the economic capacity of the countries receiving arge grant aid sums can be progressively enhanced. There is an evident opportunity to place increasing emphasis on economic development as an objective and it is his opportunity that we expect to seize upon. It offers he way to a progressive reduction of the grant aid part f our total foreign economic aid program and, more nportantly, to the growth of increasingly self-reliant nd prospering allies and friends.

TREATY INFORMATION

Current Actions

MULTILATERAL

Finance

Agreement establishing the Inter-American Development Bank, with annexes. Done at Washington April 8, 1959. Entered into force December 30, 1959.
Signature: Uruguay, February 12, 1960.
Acceptances deposited: Uruguay, February 12, 1960; Venezuela, February 13, 1960.

Health

Amendments to articles 24 and 25 of the constitution of the World Health Organization of July 22, 1946 (TIAS 1808). Adopted by the 12th World Health Assembly, Geneva May 28, 1959.[1]
Acceptances deposited: Thailand, September 24, 1959; Norway, November 2, 1959; Indonesia and Spain, November 4, 1959; Belgium, November 20, 1959; Iraq, November 25, 1959; Sweden, December 1, 1959; Cambodia, December 8, 1959; Korea, December 29, 1959; Israel, January 4, 1960.

Postal Service

Universal postal convention with final protocol, annex, regulations of execution, and provisions regarding airmail with final protocol. Done at Ottawa October 3, 1957. Entered into force April 1, 1959. TIAS 4202.
Ratifications deposited: Israel, October 23, 1959; Ceylon, November 16, 1959; Viet-Nam, December 3, 1959; India (with a declaration), December 21, 1959; Cambodia, January 12, 1960; Luxembourg, January 13, 1960; Iraq (with a reservation), January 18, 1960.

White Slave Traffic

Protocol amending the international agreement for the suppression of white slave traffic signed at Paris May 18, 1904 (35 Stat. 1979), and the international convention for the suppression of white slave traffic signed at Paris May 4, 1910.[2] Done at Lake Success May 4, 1949. TIAS 2332.
Accession deposited: Iran, December 30, 1959.

BILATERAL

China

Agreement supplementing the agricultural commodities agreement of June 9, 1959 (TIAS 4258). Effected by exchange of notes at Taipei February 11, 1960. Entered into force February 11, 1960.

Denmark

Agreement to facilitate interchange of patent rights and technical information for defense purposes. Signed at Copenhagen February 19, 1960. Entered into force February 19, 1960.

Spain

Agreement on the settlement of claims of Spanish subcontractors relating to construction of military bases in

[1] Not in force.
[2] The United States is not a party.

Spain. Effected by exchange of notes at Madrid February 8 and 13, 1960. Entered into force February 13, 1960.

Viet-Nam

Agreement supplementing and amending the agricultural commodities agreement of October 16, 1959 (TIAS 4351). Effected by exchange of notes at Saïgon February 13, 1960. Entered into force February 13, 1960.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

United States Delegations to International Conferences

Ten-Nation Disarmament Conference

The Department of State announced on March 5 (press release 105) the members of the U.S. delegation to the Ten-Nation Disarmament Conference, to be held at Geneva beginning March 15, 1960:

U.S. Representative and Chairman of the Delegation

Fredrick M. Eaton, Ambassador

Deputy United States Representative

Charles C. Stelle, Department of State

Advisers

Alexander Akalovsky, Department of State
N. Spencer Barnes, Department of State
Jeremy Blanchet, Department of State
Rear Adm. Paul L. Dudley, Department of Defense
W. Richards Ford III, Department of Defense
G. McMurtrie Godley, Department of State
Robert E. Matteson, Department of State
Capt. Willard de L. Michael, USN, Department of Defense
Donald Musser, Atomic Energy Commission
Robert G. Sturgill, Department of State
John M. Stuart, Jr., American Consulate General, Geneva
Lt. Col. Harry E. Tabor, USA, Department of Defense
Malcolm Toon, Department of State
Henry S. Villard, U.S. Representative at the European Office of the U.N. and Other International Organizations, Geneva.
Lawrence D. Weiler, Department of State
Col. Thomas Wolfe, USAF, Department of Defense

Secretary of Delegation

Richard C. Hagan, Department of State

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

The Subcontinent of South Asia. Pub. 6839. Near and Middle Eastern Series 41. 72 pp. 40¢.

Another issue in the popular *Background* series, this pamphlet discusses the far-reaching economic, political, and social developments taking place in Afghanistan, Ceylon, India, Nepal, and Pakistan.

Report to Congress on the Mutual Security Program—for the second half of fiscal year 1959. Pub. 6926. General Foreign Policy Series 145. 114 pp. Limited distribution.

The 16th semiannual report to Congress for the second half of fiscal year 1959 describing the achievements of the United States and its friends in building security against external attack and strengthening political and economic stability in the free world.

Surplus Agricultural Commodities. TIAS 4288. 5 pp. 5¢.

Agreement between the United States of America and Poland, amending agreement of June 10, 1959. Signed at Washington November 10, 1959. Entered into force November 10, 1959. With exchange of notes.

General Agreement on Tariffs and Trade. TIAS 4344. 11 pp. 10¢.

Declaration extending the standstill provisions of article XVI:4 of the agreement of October 30, 1947. Done at Geneva November 30, 1957. And procès-verbal extending the validity of the declaration. Done at Geneva November 22, 1958. Declaration and procès-verbal entered into force May 11, 1959.

Surplus Agricultural Commodities. TIAS 4351. 9 pp. 10¢.

Agreement between the United States of America and Viet-Nam—Signed at Saïgon October 16, 1959. Entered into force October 16, 1959. With exchange of notes.

Surplus Agricultural Commodities. TIAS 4354. 15 pp. 10¢.

Agreement between the United States of America and India—Signed at Washington November 13, 1959. Entered into force November 13, 1959. With exchange of notes. And amending agreement. Exchange of notes. Signed at Washington November 20 and 23, 1959. Entered into force November 23, 1959.

Mutual Defense Assistance—Extension of Loan of United States Vessels to Japan. TIAS 4355. 7 pp. 10¢.

Agreement between the United States of America and Japan. Exchange of notes—Signed at Tokyo October 2, 1959. Entered into force October 2, 1959.

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*88	2/29	Roseman receives Civil Service League award.
89	2/29	Exchange of messages between Secretary Herter and Dalai Lama.
90	2/29	Indus Basin project.
*91	2/29	Cultural exchange (U.S.S.R.).
92	2/29	U.S. note to Cuba.
93	3/2	President of Colombia to visit U.S. (rewrite).
94	3/1	Riddleberger: House Foreign Affairs Committee.
95	3/2	Development Assistance Group.
*96	3/2	Montgomery designated Special Assistant to Secretary of State (biographic details).
*97	3/2	Eisenhower-Kubitschek joint statement (see White House press release dated February 23).
*98	3/2	Eisenhower-Frondizi joint declaration (see White House press release dated February 28).
*99	3/2	Cultural exchange (Congo).
100	3/4	Summary report on grant economic assistance.
*101	3/4	Cultural exchange (Netherlands).
102	3/4	Aid to Agadir earthquake victims.
103	3/4	Australian trade liberalization.
104	3/5	Columbia River Basin talks.
105	3/5	Delegation to Ten-Nation Disarmament Conference (rewrite).

* Not printed.

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THE DEPARTMENT OF STATE

Bulletin

Vol. XLII, No. 1083 • Publication 6963

March 28, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Toward Mutual Understanding Among the Americas

President Eisenhower returned to Washington on March 7 after a 2-week trip to South America, where he visited Brazil, Argentina, Chile, and Uruguay.[1] *During his trip the President held talks with President Juscelino Kubitschek of Brazil, President Arturo Frondizi of Argentina, President Jorge Alessandri of Chile, and President Benito Nardone of Uruguay and addressed the National Congress of each country. On March 8 the President made a report on his trip to the Nation by radio and television.*

Following is the text of the President's report, together with his addresses to the four Congresses and the joint declarations and statements issued in each country.

REPORT TO THE NATION, MARCH 8

White House press release dated March 8 (as delivered text)

Good evening, friends: My first words upon my return from the four American Republics I have just visited must be a heartfelt expression of gratitude for the friendly receptions my associates and I experienced wherever we went.

Millions endured for long hours along the streets the hot summer sun—and occasionally rain—to let us know of the enthusiastic good will they have for the Government and people of the United States. In the nations of Latin America—indeed as I have found in all of the 18 countries I have visited in my trips of recent months [2]—there is a vast reservoir of respect, admiration, and affection for the United States of America. The expressions of this attitude by Latin American peoples and their leaders were so enthusiastic and so often repeated as to admit no possibility of mistake. Two or three insignificant exceptions to this may have made a headline, but they were only minor incidents, lost in the massed welcome.

This was a good-will trip; but it was also much more. Members of my party and I held serious conversations and exchanged information on bilateral, hemispheric, and global problems with the four heads of states, with cabinet members, with leaders of labor, education, finance, and business.

Two Impressions From Trip

Two impressions are highlighted in my mind.

First, Brazil, Argentina, Chile, and Uruguay treasure as much as we do freedom, human dignity, equality, and peace with justice. In freedom they are determined to progress, to improve and diversify their economies, to provide better housing and education, to work ceaselessly for rising levels of human well being.

Second, while certain problems are continental in scope, nonetheless each of the countries I visited—indeed, each of the 20 Republics of Latin America—is highly individual. Each has its own unique problems and ideas regarding future development. Hence, our cooperation with each Republic must be tailored to its particular situation.

[1] For an address made by President Eisenhower to the Nation prior to his departure, see BULLETIN of Mar. 7, 1960, p. 351.

[2] President Eisenhower visited Europe Aug. 26–Sept. 27, where he held talks with officials in Germany, the United Kingdom, and France; for background, see *ibid.*, Sept. 14, 1959, p. 371, Sept. 21, 1959, p. 403, and Sept. 28, 1959, p. 435. On Dec. 22 the President returned from a 3-week trip to 11 countries in Europe, the Middle East, South Asia, and Africa; for background, see *ibid.*, Dec. 28, 1959, p. 931, and Jan. 11, 1960, p. 46.

I was gratified to learn that, as the indispensable basis for their self-improvement, comprehensive surveys of resources, capacities, objectives, and costs have progressed rapidly in recent years. But each nation feels it must do more in this regard and seeks help for this purpose. The United Nations has funds for such predevelopment studies. The new Inter-American Bank also should be able to lend technical help. The studies of each country called for under Operation Pan America [3] will likewise contribute to this end.

Once sound planning has made significant progress, a nation can formulate specific projects for action, with priorities established and with confidence that each development will open still further opportunity to speed the spiral of growth.

The execution of any development program will of course depend primarily upon the dedicated efforts of the peoples themselves. I was impressed, for example, by what I saw in Chile. I visited a low-cost housing project. The Government had provided land and utilities. The homeowners were helping one another build the new houses. They will pay for them monthly, over a period of years. Personal accomplishments brought pride to their eyes, self-reliance to their bearing. Their new homes are modest in size and character, but I cannot possibly describe the intense satisfaction they take in the knowledge that they themselves have brought about this great forward step in their living conditions.

In Argentina and Uruguay I witnessed encouraging sights—men building schools, homes, and roads—and in Brazil, erecting a wholly new capital city.

The people of Latin America know that poverty, ignorance, and ill health are not inevitable. They are determined to have their resources and labors yield a better life for themselves and for their children.

I assured them that, most earnestly, we of the United States want them to succeed. We realize that to speed improvement they need foreign capital. They want sound loans, public and private. Their repayment record on loans previously made is noteworthy.

International and United States lending agencies have recently had their funds greatly increased. The new Inter-American Development Bank will soon be functioning. I believe that each nation which has produced a well-conceived development program will find that these lending institutions will respond to their needs. Should this not be so in a particular situation, we of the United States would want to know the circumstances and do what we could to help to rectify the difficulty.

In our discussions I stressed that all nations—large or small, powerful or weak—should assume some responsibility for the advancement of humankind in freedom. Though we of the United States will, within the framework of our world situation and economic capacity, assist all we can, we look for the time when all the free nations will feel a common responsibility for our common destiny. Cooperation among free nations is the key to common progress. Aid from one to another, if on a one-way street basis only and indefinitely continued, is not of itself truly productive.

The peoples of Latin America appreciate that our assistance in recent years has reached new heights and that this has required sacrifice on our part.

Misunderstandings That Need To Be Corrected

I must repeat, however, what I said several times during my trip: Serious misunderstandings of the United States do exist in Latin America. And, indeed, we are not as well informed of them as we should be.

Many persons do not realize the United States is just as committed as are the other Republics to the principles of the Rio Treaty of 1947. This treaty declares that an attack on one American Republic will in effect be an attack on all. We stand firmly by this commitment. This mutual security system, proved by time, should now enable some of the American Republics to reduce expenditures for armaments and thus make funds available for constructive purposes.

One editorial alleged that the United States did not accept the principle of nonintervention until 1959. In fact our country has consistently abided by this hemispheric concept for more than a quarter of a century.

Another persistent misunderstanding which I sought to correct wherever I traveled is that we sometimes support dictators. Of course, we abhor all tyrannical forms of government, whether of the left or of the right. This I made clear.

[3] For background, see *ibid.*, June 30, 1958, p. 1090, and Oct. 13, 1958, p. 574.

In Brazil I explained another important item of our policy: We believe in the rights of people to choose their own form of government, to build their own institutions, to abide by their own philosophy. But if a tyrannical form of government were imposed upon any of the Americas from outside or with outside support—by force, threat, or subversion—we would certainly deem this to be a violation of the principle of nonintervention and would expect the Organization of American States, acting under pertinent solemn commitments, to take appropriate collective action.

On occasion I heard it said that economic advance in some American Republics only makes the rich richer and the poor poorer, and that the United States should take the initiative in correcting this evil. This is a view fomented by Communists but often repeated by well-meaning people.

If there should be any truth in this charge whatsoever, it is not the fault of the United States. So far as our purpose is involved, projects financed by our institutions are expected to yield widespread benefits to all and, at the same time, to conform to our policy of nonintervention. I know that the Latin American leaders I met also seek this same result.

Moreover, when internal social reform is required, it is purely an internal matter.

One of the most far-reaching problems of continental scope is this: In their exports the Latin American Republics are largely single-commodity countries. The world-market prices of what they sell fluctuate widely, whereas the prices of things they buy keep going up.

We have tried to be helpful in the cooperative study of this vexing situation. Many facts about supply, demand, production are widely comprehended for the first time. Thus, for example, with the facts about coffee understood, producing nations are cooperating in orderly marketing for this commodity with beneficial results.

The real solution is in agricultural and industrial diversification. Here we are encouraged by the progress being made toward the creation of common markets. Large areas, relatively free of trade restrictions, will make for greater efficiency in production and distribution and will attract new capital to speed development.

Despite such problems as these, our relationships with our sister Republics have, with notable—but very few—exceptions, reached an alltime high. Leaders and populations alike attested to this truth. But an even firmer partnership must be our goal.

Special Relationship of the Americas

The Republics of this hemisphere have a special relationship to one another. The United States is important to all of Latin America, as its largest buyer, as the main source of foreign investment capital, and as a bastion of freedom. Our southern neighbors are important to us economically, politically, culturally, militarily. Indeed, no other area of the world is of more vital significance to our own future.

This interdependence must be comprehended by us and by them. Each should know the policies, attitudes, aspirations, and capacities of the other. For, as I have said time and again, all fruitful, abiding cooperation must be based upon genuine mutual understanding of vital facts.

Exchanges of students, teachers, labor leaders, and others are helpful. Newspapers, magazines, all means of communication should accept the responsibility not merely of transmitting spectacular news but of helping build the knowledge on which cooperative action may flourish.

In one respect our neighbors put us to shame. English is rapidly spreading as the second language in Latin America. Business executives, labor leaders, taxi drivers—most speak English well, learned in school or in binational institutes. The study of Spanish is increasing in our schools, but I wish that literally millions of Americans would learn to speak Spanish or Portuguese fluently and to read the literature, histories, and periodicals of our sister Republics.

H. G. Wells once said that civilization is a race between education and catastrophe. His thought is applicable to hemispheric relations. With common dedication to the highest ideals of mankind, including shared aspirations for a world at peace, freedom, and progress, there is no insurmountable impediment to fruitful cooperation, save only insufficiency in mutual understanding. This is something that you and I—every single citizen, simply by informing himself—can do something about.

I hope each of us will do so.

Again, I express my gratitude to President Kubitschek, President Frondizi, President Ales-

sandri, and President Nardone and all their peoples for providing me with a most instructive and rewarding experience.

And I convey to you their best wishes and warm greetings.

Thank you, and good night.

JOINT STATEMENT, BRASILIA, FEBRUARY 23[4]

White House press release dated February 23

The Presidents of the United States of Brazil and of the United States of America, Juscelino Kubitschek de Oliveira and Dwight D. Eisenhower, meeting together in the new city of Brasilia, soon to be the capital of Brazil, reaffirm the joint determination of the two nations to defend the following principles:

1. The democratic freedoms and the fundamental rights of man, wherein are included the fight against racial discrimination and the repudiation of any attempt against religious freedom and of any limitation on the expression of thought. These are inalienable conquests of civilization which all free men have the duty to protect, bearing in mind the sacrifices of the soldiers of both countries in the last war, and the need to prevent repetition of the causes which led to the loss of so many young and precious lives.

2. The belief that the aspiration of the peoples of the Americas to an ever-improving way of life, moral and material, presents one of the great challenges and opportunities of our time. This challenge should be met by joining together, ever more closely and harmoniously, the efforts of all countries within the inter-American community in order that, through coordinated action, there may be an intensification of measures capable of combating underdevelopment in the vast area of the American continents.

3. The full implementation of the principles of political and economic solidarity contained in the Charter of the Organization of American States and in the Mutual Assistance Treaty of Rio de Janeiro.

4. The recognition that economic advancement cannot be disassociated from preservation of peace and democratic rights, and that the effort of each nation must be complemented by hemisphere action helping all Americans to achieve the improved living standards which will fortify belief in democracy, freedom and self-determination of peoples. To this end, the Presidents reaffirm their solidarity with the principles approved by all the nations of America within the scope of Operation Pan America and assure their wholehearted support to the Organization of American States and to those other entities which already are formulating measures to help achieve these ends. This will pave the way to the realization of the inter-American ideals, economic as well as political.

Acknowledging that joint efforts of the American nations have already achieved much, but firm in the conviction that action still more fruitful should be taken, the two Presidents are confident that the hemispheric crusade for economic development will lead toward greater prosperity and harmony for all.

[4] Read by Secretary Herter at the site of a monument commemorative of President Eisenhower's visit to Brazil.

ADDRESS TO BRAZILIAN CONGRESS, RIO DE JANEIRO, FEBRUARY 24

White House (Rio de Janeiro) press release dated February 24 (as delivered text)

Mr. President, I think you must understand how deeply touched I am by the scene which here before me spreads. I see here represented in the members of this body the spirit, the intellect, and the character of the great Brazilian nation, a nation which is surging forward to heights as yet unimagined even by ourselves. Beyond this I am grateful for the generous statements directed to my country and to me by those who have preceded me today.

I am proud that I have been invited the second time by the representative body of Brazil to meet with them for a brief period, and I am more proud of the fact that your spokesmen have greeted me and my country as a country and as an individual that with them work to support and forward the priceless values that make men free and fight those influences which tend or would want to regiment or enslave them.

It is, then, with a sense of singular honor that I come before you, the elected representatives of the people of the United States of Brazil.

But the warm glow of personal pleasure is tempered by the realization that we share awesome

responsibilities which this profoundly moving occasion prompts me to discuss with you.

If the burdens of my office permitted, I would travel to the largest cities and the remotest villages of all the Americas to speak of these responsibilities and of how, together, we may possibly bear them successfully. Since I cannot do this, I trust that what I say here will be accepted by the Governments and peoples of all the Western Hemisphere nations as an expression of hope from the millions of my country to the millions who constitute Latin America.

It is fitting, I think, that I should do this here, at the beginning of my present journey, for you of Brazil and we of the United States of America have always worked together for the spiritual unity and material advancement of the hemisphere. If it were physically possible for us to do so, I am sure we would speak with a single voice to all our neighbors of this vast continent.

Sharing a Common Inspiration

Not long ago you and we shared anxieties, suffering, and tragedy in an agony of worldwide war. Many of your families, as of ours, paid a heavy price in order that the rule of law and moral suasion might replace the rule of naked force. To pay homage to the gallant Brazilian soldiers, airmen, and sailors who fought side by side with others of the free world, I came here 14 years ago.

I know that your brave men, who knew the horrors of war, pray with me now that their children and their children's children will find a better way—so that in the future the deep, abiding desires of humanity will prevail over the arrogance and ambitions of misguided or willful leaders; that consultations will replace coercion; that mutual understanding will eliminate threat and crude accusation; that the earth, casting aside the sterile use of resources for arms, will yield its rich bounty to all who are willing to work in freedom.

I am confident I shall not be thought presumptuous in suggesting we—our two nations—could speak with a single voice. For our basic ideas have a common inspiration: Man, in his sonship under God, is endowed with dignity, entitled to equality in all human and political relations, and destined, through the employment of consecrated intelligence, to shape a world harmonious with basic moral law.

Adhering to these beliefs we have established similar governmental systems; we have constantly maintained friendly relations unmarred by a single explosive incident; and we have worked together to establish and strengthen the Organization of American States, the United Nations, and other cooperative international organizations.

We of the United States admire Brazil for its enviable record of constructive leadership in hemisphere and world affairs, and we salute your statesmen who have played decisive parts in critical international situations, even some involving the United States and one or more of our sister Republics.

National Well-Being in Self-Reliance

Speaking with one voice then—your country and mine—we would say, I know, that the first responsibility of leadership in any nation is to work for the welfare of its own people, its own land.

We would emphasize that heavy reliance must be placed upon the creative talents of the people themselves, with government a helpful partner. While we recognize that success or failure in the whole domestic enterprise is largely a nation's own responsibility, we would look for any needed outside temporary assistance to speed our development. Certainly my country did this from its establishment as a free nation until late in the 19th century. And in receiving and using these honors our sovereignty was not violated—nor was our self-reliance diminished.

You now are experiencing, primarily due to your own persistent labors, a remarkable industrial and economic growth. Yesterday, on what was once a remote plateau, I saw your growth revealed in the stone and steel of an emerging and magnificent new capital—a symbol of the vision and sturdy confidence which characterize modern Brazil. This surging growth is evident everywhere in this seaport city of Rio, and tomorrow I shall see what I am told is the most rapidly growing city in the world—São Paulo.

We of the United States are proud that our public and private agencies have responded to the best of their ability to your requests for temporary assistance. United States public and private investments and loans in Brazil now total about $2,500,000,000. To this could be added the loans

of international financial agencies which obtain the major part of their funds from the United States.

These are mighty, but only supplemental, aids. The time will come when Brazil, through its own efforts, will experience both the benefits and the complexities of being a creditor nation, and others will be seeking your help—a seeking which I know will not be unrewarded.

Strengthening Hemispheric Relations

Our second responsibility is to all our good neighbors of this hemisphere.

We, Brazil and the United States, hold the common burning conviction that relations among these sister nations must be characterized by mutual respect, juridical equality, independence, respect for each human being, regardless of his race, creed, or color, and a willingness to help one another promote the well-being of all our peoples.

Neither of us covets one acre of land from another. We do not wish to prosper at another's expense. We do not wish to impose our particular form of democracy upon another. Rather, fervently and persistently, while avoiding all forms of intervention, we proclaim our hope that the nations of the hemisphere will each, according to its own genius and aspirations, develop and sustain free government.

We pray that all of us will reject cruel tyranny, for tyranny is, in simple essence, the outright denial of the teachings of Christ. May each of us in every appropriate way, and especially by example, work for the strengthening of democratic institutions.

You of Brazil have constantly shown your desire for the Americas to be a community of free democratic nations, united by the common ideal of hemispheric cooperation and solidarity. You, like we, insist upon freedom of choice for every country. And you, like we, aspire to the day when poverty, hunger, illiteracy, and discrimination in all forms will become relics of the past.

In proposing Operation Pan America, Brazil has taken an important initiative for the democratic development of the entire hemisphere. The high purpose of this imaginative proposal of your distinguished President—to attack the problem of underdevelopment by cooperative effort—is one which my Government endorses. It is for this reason that we have joined with Brazil in requesting an early meeting of the Committee of Nine;[5] this committee should accelerate the formulation of the specific projects needed to translate this plan into a working reality.

U.S. Assistance Pledged

Permit me here to renew a pledge, which I have made repeatedly. The United States itself stands ready and will continue to urge other free nations to be ready to join in a gigantic effort: to devote substantial portions of the savings made possible by disarmament to vast constructive programs of peaceful development.

We embrace this idea despite the fact that we are now carrying such heavy burdens throughout the world that our own internal and external financial situation requires great caution in management—and incidentally, this aid includes significant volumes of public and private capital and technical assistance to Latin America.

Pending that achievement, I assure you that my Government, while honoring its commitments outside this hemisphere, is in no mood to allow its special responsibilities among the American states to go by default. Indeed, these commitments and responsibilities are part and parcel of the same problem—preserving the strength and unity of the free world.

Striving for World Peace

This brings me to the third responsibility which we may speak of in common voice—that which involves the larger world.

This is truly a time of fateful decision. Nations now possess power so terrible that mutual annihilation would be the only result of general physical conflict. War is now utterly preposterous. In nearly every generation the fields of earth have been stained with blood. Now, war would not yield blood, only a great emptiness for the combatants and the threat of death from the

[5] The Committee of Nine, composed of Argentina, Brazil, Chile, Costa Rica, Cuba, Mexico, Peru, the United States, and Venezuela, was established by the Special Committee of the Council of the Organization of American States To Study the Formulation of New Measures for Economic Cooperation (Committee of 21) during its meeting at Buenos Aires Apr. 27–May 8, 1959. The main purpose of the Committee of Nine is to maintain contact with OAS inter-American organs in connection with the progress of the Committee of 21 and to receive and give preliminary study to any new proposals in this regard which might be presented by governments.

skies for all who inhabit the earth. To strive ceaselessly, honestly, and effectively for peace is today the imperative responsibility of every statesman—of yours, of ours, of all countries.

At the same moment of this great crisis, we face anew decisions involving tyranny or freedom, totalitarianism or democracy. Our shared view on this issue is so eloquent and so clear that any words of mine would not be enlightening.

And, perhaps inseparable from the decision of freedom or slavery, we face the philosophic issue which today brings fear, misgiving, and mistrust to mankind. In contrast to our adherence to a philosophy of common sonship, of human dignity, and of moral law, millions now live in an environment permeated with a philosophy which denies the existence of God. That doctrine insists that any means justifies the end sought by the rulers of the state, calls Christianity the "sigh of the oppressed," and, in short, seeks to return mankind to the age-old fatalistic concept of the omnipotent state and omnipotent fate.

You of Brazil and we of my country do not say that this philosophy shall not be held, that peoples may not return to that unenlightened system of tyranny if they so wish. We would feel a great sorrow for them, but we would respect their right to choose such a system. Here is the key to our policy—the right to choose. Human beings everywhere, simply as an inalienable right of birth, should have freedom to choose their guiding philosophy, their form of government, their methods of progress.

But we—you of Brazil and we of the United States—would consider it intervention in the internal affairs of an American state if any power, whether by invasion, coercion, or subversion, succeeded in denying freedom of choice to the people of any of our sister Republics.

To work throughout the world for a guaranteed peace, free of all outside interference, and for rising levels of human well-being, in justice and freedom—this is the greatest of the responsibilities which you of Brazil and we of the United States now share.

It is to confer with your distinguished President and his colleagues about these bilateral but hemispheric and global problems that I am making my brief trip to Brazil and your neighbors in this great southland.

May God cast his grace upon us and guide us in this noble purpose.

ADDRESS TO ARGENTINE CONGRESS, BUENOS AIRES, FEBRUARY 26

White House (Buenos Aires) press release dated February 26 (as delivered text)

First, an expression of my warm gratitude for the cordiality with which you have received me in this hall. I cannot fail to mention what I have just seen in the streets of your beautiful city. I have seen crowds on those streets, I have seen the smiles on their faces, the flowers in their hands, and I have heard their shouts and cries of welcome. To me this can mean one thing only: that the people of the Argentine, like the people of the United States, are proud that they are free men and they want to stand together as partners in our never-ceasing search for a just peace in which all men can prosper and better themselves, their families, their communities, and their nations.

I am honored by this opportunity to address the Congress of the Argentine Republic. To you, and through you to all your people, I bring friendly greetings from my Government and my fellow citizens. I convey to you our unbounded admiration for the courageous efforts you are making under the inspiring leadership of President Frondizi to strengthen respect for human dignity and human rights and to build institutions which will eternally guarantee the free exercise of those rights.

Though the people of the United States do not know your history, philosophy, and aspirations as well as they should—and this is a shortcoming which, despite distance and dissimilar language, simply must be overcome—nonetheless they are mindful of the extraordinary efforts you are making to restore your national economy. We hope and expect that the solid economic foundations you have been building will soon result in improved living standards.

I am happy that Argentina has created conditions which have made it possible for some of our credit agencies to extend to it a significant program of dollar credits. During the past few years, public and private lending agencies of the United States, and international financial institutions to which we contribute substantially, have joined in lending to Argentina approximately a billion dollars. This is the most intensive program of financial cooperation to have been yet carried out in the history of this hemisphere.

In a nation that is truly determined to develop, capital is one essential instrument of production. If there is a shortage of capital, production and living standards suffer simultaneously. But new capital, if accompanied by other instruments of production, including technical proficiency—in this case provided by Argentina itself—quickly translates into more production, more and better-paid jobs, and higher living standards. Everybody gains in the process.

We of the United States are highly gratified that we have been able to be of some assistance in your march toward a better life.

U.S. Aspirations for American Nations

In words so candid and clear that no one in all the Americas can possibly misunderstand me, I wish to emphasize again our deep desire:

First, to see every one of the American nations make steady economic progress, with the blessings of this advance reaching all of its people;

Second, to cooperate in every sound way we can, within the limits of our ability, in helping the American nations attain their just aspirations. We also wish to persuade them and others to join in a worldwide effort to help the less developed nations to progress in freedom;

Third, while adhering strictly to a policy of nonintervention and mutual respect, to applaud the triumph of free government everywhere in the world. We do not urge emulation of the United States, but we do know that human beings, sacred in the sight of God and more majestic than any institutions they may create, will in the long sweep of history never be content with any form of slavery or coercion;

Fourth, to bring ever closer the realization of a world in which peace with freedom is guaranteed and in which the mighty productive power of man can work constructively for the betterment of all humankind.

As perhaps you know, I have recently traveled in Europe, the Middle East, and India. I am now at the halfway point in this all-too-brief trip through South America. In June I shall go to the Soviet Union and Japan. When those journeys have been completed, I shall have visited many countries, large and small, industrial and agricultural communities, highly developed nations and some newly emerging. In all these travels I have had one paramount interest: to assure everybody of my Nation's peaceful intent and to do what I can to promote the cooperation of all in the cause of peace and freedom.

I have emphasized that we seek peace, but only in freedom. If peoples were willing to give up their liberty and their personal dignity, they could readily have peace—a peace in which a single great power controlled all other nations.

Genghis Khan, Tamerlane, Alexander the Great, Napoleon, Hitler, and others sought to establish that kind of peace. But always peoples and nations have rebelled against their false, self-serving doctrines. We do not want an imposed peace. We want a cooperative peace in which the peoples of every nation have the right of free choice—the right to establish their own institutions, to live by their own cardinal concepts, and to be free of external pressure or threat.

These are deep-seated desires held passionately in common by the peoples of the United States and Argentina. We hope to see machines capable of destruction turned exclusively to constructive purposes.

Sharing a Common Heritage

These shared aspirations spring from a common heritage:

Both our countries won their independence from European powers. The drafters of our Declaration of Independence proclaimed that "all men are created equal," endowed by their Creator with certain inalienable rights, among them "life, liberty, and the pursuit of happiness." In Argentina Esteban Echeverria said: "Equality and liberty are . . . the two poles of . . . Democracy. . . ." In the United States Abraham Lincoln described democratic government as "of the people, by the people, for the people." In Argentina Juan Alberdi declared: "Public freedom is no more than the sum . . . of the freedoms of all." The Constitution of the United States carefully separated the legislative, executive, and judicial branches of our Government. In Argentina the great liberator, José de San Martín, stated: "Displaying the most excellent principles matters not at all, when he who makes the law, he who carries it out, is also he who judges it."

Your founding fathers and ours acted upon

the same great hopes and expressed—almost identically—the same wisdom. This is of course not surprising: The vision of true freedom cannot be dimmed by a barrier of language or distance.

It was once possible to think of democratic freedom as a matter of purely national concern. But now, in a world of exacting interdependence, freedom must be fostered, developed, and maintained cooperatively among many nations. Hence, across national boundaries, among peoples and governments, a constant increase in mutual understanding must prevail. Based on that understanding, political, cultural, and economic cooperation will succeed, with benefits for all.

Unhappily, until the last threat of force has been suppressed, there must also be military cooperation, for no single nation, no matter how mighty, can alone protect the freedom of all. Together, however, the nations which cherish independence can command a power so great that no potential aggressor could violate the peace without inviting his own destruction.

Progress Through Technology and Science

Can the ugly external threat which faces us impose such physical strains upon us as to impair or destroy our heritage? With confidence our two nations emphatically and jointly say "No." I have heard some say that, the more a country develops its technology and science, the more "materialistic" it becomes and the less it possesses or cherishes the cultural aspects of life. But of course science, technology, and richness of culture must, and do, march forward hand in hand.

Surely scientific advances that make possible the conquering of human disease, that remove drudgery from the household, that yield shorter working hours with leisure for the arts and recreation—surely these are not inimical to the fulfillment of man's spiritual aspirations.

No single technological development in all history did more to advance the cultures of the world than the invention of the printing press. Modern technological miracles have speeded communications to the point that an event in a remote part of Africa is known minutes later in Buenos Aires. They have enabled us to move from one part of the world to any other in a matter of hours.

With these so-called "materialistic" advances we have the means of obtaining accurate information, and more knowledge, faster. These accomplishments are helpful in developing that genuine human understanding on which all other cooperative actions among peace-longing nations can be based.

I have watched, with much satisfaction, the increasing amount of news published in each of our countries about the other and the increasing number of books translated from each of our languages into the other's. I have observed, too, the growing numbers of our teachers, students, businessmen, labor leaders, and others who are exchanging visits between us.

My country was recently honored by the visit of a number of distinguished members of this Congress, who traveled extensively in the United States and conferred with their fellow legislators and other American citizens. Also, legislators from the United States have visited Argentina on numerous occasions. I can think of nothing more useful to our relations than such exchanges.

But it is not possible for everyone to travel great distances. So our schools and universities, the press, books, philosophic societies, study groups, and government—all these must work ceaselessly to promote better understanding between us, as well as among all the Americas. And there must be interchanges to the maximum degree possible—of ideas, of persons, of techniques. I hold the unshakeable conviction that the greatest single impediment to abiding, mutually helpful cooperation among nations desiring peace with freedom is not opposing policies, or different aspirations, or insoluble conflicts—serious as these sometimes are. No, the most persistent, single impediment to healthy, effective cooperation is the lack of deep and abiding understanding and the trust that flows from understanding. Here, then, in this effort to increase mutual understanding among all nations, is the basic problem. It is one that every citizen, in your country and mine, can help to solve. Overcoming it will build the surest foundation for the kind of cooperative progress and the just peace we all seek.

Again, I convey to you the admiration of the people of the United States for the courage and determination with which Argentina is facing its problems. We wish you every success. I am also happy to assure you of the continued readiness of my Government to cooperate with you to the ex-

tent that such cooperation is feasible, is welcomed, and may contribute to the well-being of your great country.

I thank you for the privilege of addressing you, the elected representatives of the Argentine people.

JOINT DECLARATION, SAN CARLOS DE BARILOCHE, FEBRUARY 28

White House (San Carlos de Bariloche) press release dated February 28

The Presidents of the Argentine Nation and of the United States of America, having conferred on matters relating to peace, freedom and cultural and material opportunities for the peoples of the Americas, have decided to issue a joint declaration.

They reaffirm the determination of their respective governments to foster improved living standards for the peoples of the Americas.

They agree that:

Improved living standards result from economic progress which in turn depends upon adequate economic policies, upon friendly international cooperation, and upon efficient utilization both of natural resources and of the talents and capacities of the individual citizen acting alone or in voluntary association with others.

Economic progress and improved living standards facilitate the development of strong and stable political institutions and enable countries to make a more effective contribution to international understanding.

Likewise whatever serves to reinforce democratic institutions contributes not only to political, economic and social progress but also to the improvement of relations among nations.

The inter-American system, an expression of the common experience of the peoples of the Americas, has proved itself an effective instrument for peace and for cooperative relations among countries.

Experience within the inter-American system has taught that non-intervention is the keystone of international harmony and friendship and that its corollary is mutual respect among nations, however large or small.

The efforts of the Government of the Argentine Republic and of the United States of America will continue to be directed to the attainment of these inter-American ideals.

ADDRESS TO CHILEAN CONGRESS, SANTIAGO, MARCH 1

White House (Santiago) press release dated March 1 (as delivered text)

It is a high honor indeed and a personal privilege for me to address the elected representatives of the free people of the Republic of Chile. In this year, the 150th anniversary of the first movement toward independence by Chilean patriots, I bring to you and your people the warm greetings and congratulations of my countrymen.

We Americans glow with pride when we recall the early links between our two countries—when you were seeking your independence and our own was scarcely a generation old. It was not just coincidence, I suspect, that your first Congress was inaugurated on the fourth of July. That was in 1811, the 35th anniversary of our own Declaration of Independence. Later, in 1812, the first draft of your provisional Constitution was written in the home of Joel Poinsett, United States consular representative to Chile. In the battle which helped bring final victory, one of my countrymen was the chief of staff of Lord Cochrane.

These early associations helped forge lasting bonds of friendship. Their firm base is a shared philosophy—faith in God, respect for the spiritual dignity of man, and the conviction that government must be the servant of the people.

During the past 24 hours I have had friendly and helpful discussions with your distinguished President. I have gained new insight into your problems and the efforts you are making to achieve economic stability and growth which will mean a better life for all your people.

We all know that in today's interdependent world no nation can live unto itself or be immune to developments in other lands.

We in the Western Hemisphere are still young nations, still growing, still experimenting.

How much easier would be the tasks of our own internal development and of helping nations sustain liberty if the awesome threat of conflict and coercion could be eliminated from the minds and affairs of men.

Quest for Peace and Friendship in Freedom

The quest for peace is the imperative of our time. War has become preposterous. And maintaining armaments is consuming resources which

if constructively used, could bring forth a new era of benefit for all mankind.

As you know, I recently visited a number of the nations of Europe, the Middle East, South Asia, and Africa. There I had an opportunity to convey to millions the wish dearest to the hearts of my own countrymen: a world of free men living in peace and friendship.

Soon, with my colleagues in Great Britain and France, I will meet with the Chairman of the Council of Ministers of the Soviet Union.[6] It is in part to prepare for this meeting that I have sought the opportunity to confer with the leaders of some of the Latin American nations. All of us hope fervently that out of this and subsequent international meetings may come understandings which will permit at least a partial relaxation of tensions and a modest advance along the road of lasting peace.

We seek to promote universal acceptance of the rule of law. We are determined to do all in our power to help the United Nations become an ever more effective instrument for peace. We support the International Court of Justice.

Though the road to guaranteed peace is a long one, we in the Western Hemisphere may take satisfaction that we among ourselves have made encouraging progress along that road. By providing guarantees of national independence and integrity to our own nations, we have set a useful example for the world. The Organization of American States has provided our American family of nations a valuable mechanism for consultation and has made possible the evolution of political and juridical doctrines in international relations which are accepted by all our Republics. The vitality of our Organization was recently demonstrated in the meeting of Foreign Ministers which took place here in Santiago.[7] Under the able chairmanship of your distinguished Foreign Minister, the meeting agreed to the strengthening of the Inter-American Peace Committee, and it gave new emphasis to two basic concepts of the inter-American system: nonintervention and representative democracy.

With a long history of successful consultation, fortified by solemn agreements and machinery for the peaceful settlement of disputes, it is logical that leaders throughout the hemisphere should now have a new concern regarding the burden of armaments on the economies of the American Republics. Hence the initiative of His Excellency President Alessandri in suggesting that the time is ripe to find effective means of reducing the burden of armaments in Latin America has been hailed as an act of statesmanship.

Working out the procedures for achieving limitation and assuring compliance will not be easy. The level of armaments which a nation feels it must maintain to assure the safety of its people involves a decision which the sovereign authority of that country must make for itself. In reaching its decision each government will have to balance the minimum requirements for security against the drain on its resources.

While the technical steps will be difficult, multilateral agreement can be achieved if each nation of the hemisphere has confidence that it need not fear unprovoked aggression.

It is precisely such confidence that our inter-American system should provide. The Rio Treaty of 1947 provides, and I quote from that document, "that an armed attack by any State against an American State shall be considered as an attack against all the American States and, consequently, each one of the said Contracting Parties undertakes to assist in meeting the attack."

My Government supports this solemn agreement. Should any American Republic be the victim of aggression, the United States is ready to fulfill its treaty obligations with strength, promptness, and firmness.

Bearing in mind the guarantees provided by the Rio Treaty, I assure you that my Government is prepared to cooperate in any practical steps that may be initiated by the Government of Chile or any of her neighbors to reduce expenditures on armaments.

Foundations of Economic Development

As arms expenditures decline, funds will be released for more productive purposes. This will be at best a gradual process. In the meantime, Chile, like other growing countries, will need capital for economic development. Here and elsewhere that capital must come primarily from within; from the encouragement of savings, which depends on confidence in economic and political stability, and their intelligent investment; from a just and equitable tax system, strictly enforced;

[6] BULLETIN of Jan. 18, 1960, p. 77.
[7] *Ibid.*, Sept. 7, 1959, p. 342.

and from incentives to more efficient production and distribution, including the incentive of competition.

Yet domestic capital, while of first importance, will not always be sufficient to meet demands in a period of rapid growth. Hence Chile, like other countries, looks abroad for capital. I am glad that lending institutions in the United States have been able to grant substantial credits to the Government of Chile.

In addition considerable other credits and equity capital have flowed into various sectors of your economy. Thus United States copper companies have in the past 3 years invested more than $125 million in new capacity, which means more earnings, more tax revenue, and more jobs. Investments are either being made or planned in fabricating plants to use the output of your great steel mill. I have been happy to learn that your national power company has received approval for a loan from the International Bank which will permit needed expansion of your power supply and that this will be supplemented by the investment of substantial private United States capital to increase power capacity in the Santiago-Valparaíso area. All this is good, since it will make important contributions to the growth of your country.

And yet the demand for more capital, in South America as in other parts of the world, continues. It is for this reason that during the past year the Congress of the United States, despite our own difficult situation with respect to international balances, has increased the resources of the Export-Import Bank, has approved the doubling of our subscription to the capital of the World Bank, and has joined with you and your neighbors in the formation of the Inter-American Development Bank.

As this Bank starts its career, under the presidency of a distinguished Chilean, it, together with the other institutions I have mentioned, should do much to meet the need for long-term credits.

I must emphasize, however, that the competition for both public and private credit is severe. Some charge that private capital in the more developed countries is seeking every opportunity to pour into the less developed countries in order to engulf their economies. Nothing could be more erroneous. Investment capital is limited. Competition for it is keen in the United States and in many other countries. It will flow only to those areas where it is actively sought, welcomed, and treated fairly. More and more it seeks the partnership of local capital and local experience.

I congratulate your President and all of you on your efforts to strengthen the economy and fiscal situation of your country. You will thus create confidence for investment, both domestic and foreign.

As I have said, the principal impetus for any nation's economic development must be its own will, its own dedicated effort. Then, financial and technical assistance from abroad can be extremely helpful. So, too, can increased cooperation between neighbors. Working together, nations can increase trade and reduce costs of production, to their mutual benefit. These developments will attract additional credit. Hence the United States is sympathetic to the progress being made by Chile and her neighbors to establish some form of common market.

The United States, as the largest common market in the world, could not but look with favor on the efforts of other free nations—in Europe, Latin America, or elsewhere—to enhance their prosperity through the reduction of barriers to trade and the maximum use of their resources. We feel that a common market must be designed not only to increase trade within the region but to raise the level of world trade generally.

Working for a Better World

Members of the Chilean Congress, in mentioning briefly this afternoon our quest for peace and friendship in freedom, our common concern for reducing the burden of armaments, the need for development capital, and the benefits that may be derived from common planning, I have merely touched on several elements involved in our hopes for a better world for the future. What we do, or fail to do, will have its maximum impact on the lives of our children and grandchildren. The future is the domain of youth. More than ever before our young people, living in a world of interdependence and rapid communication, must possess technical competence. They must develop intercultural understanding, possess high spiritual values and integrity, be imbued with a passion for cooperation, and be devoted to building societies in freedom, that yield benefits to all. Only then

will they be able to use effectively all of their ma-
erial resources, including capital. Hence we now
have the obligation to expand educational oppor-
unities in each of our countries and provide for
he maximum exchanges of students, teachers, and
others. We must provide an environment which
convinces our youth that only in a democratic
society can there be the intellectual freedom they
cherish, that there is no shortcut to a richer life,
and that the path they must follow will demand
courage and a deep and abiding faith in humanity.

These are values which for generations have
been held dear in Chile, as they have been in my
country. I trust that our sons and daughters will
n the future give them even deeper meaning.
From my visit to Chile and her neighbors I shall
ake back renewed faith in the lofty aspirations
of free people and renewed courage to face the
asks during the time which remains to me as
President of my country.

From my heart I thank you for the honor you
ave done me in inviting me to be with you today
nd for the cordial welcome you have given me.

I thank you.

OINT STATEMENT, SANTIAGO, MARCH 1

White House (Santiago) press release dated March 1

The Presidents of the United States of Ameri-
a and of Chile, Messrs. Dwight D. Eisenhower
nd Jorge Alessandri, on the occasion of the visit
o Santiago of President Eisenhower, from
ebruary 29 to March 2, 1960, exchanged views
n various matters of common interest:

The Presidents discussed the collaboration of
hile and the United States of America in inter-
ational organizations with a view to the realiza-
ion of the common principles which guide the
oreign policies of both countries.

In particular they exchanged ideas regarding
he principal affairs of the world situation and,
oreover, concerning measures which would make
ossible the strengthening of the inter-American
ystem in accordance with the Declaration of San-
ago,[8] which was unanimously approved at the
ifth Meeting of Consultation of Ministers of
oreign Affairs, held in August 1959.

They reaffirmed the urgency of seeking solutions for the problems of economic development and of improving living standards in America. They likewise reiterated that the inter-American system should be based on respect for human rights, the effective exercise of democracy, and non-intervention in the internal affairs of other States.

Economic matters of common interest, particularly those of hemispheric scope comprehended in Operation Pan America, were also discussed. Similarly, special attention was given to the armaments problem in the continent and to Chile's initiative in proposing that the nations of the Americas give their urgent consideration to this matter, with the objective of reaching an appropriate equilibrium within a general policy of limitation on arms purchases.

The financing of economic development, both public and private, was also discussed, as was the formation of various regional trade zones, both in Europe and the Americas, and their possible effects on the economies of this hemisphere.

Finally, programs of cultural collaboration were reviewed, with emphasis on the importance of disseminating scientific and technical knowledge.

ADDRESS TO URUGUAYAN CONGRESS, MONTEVIDEO, MARCH 2

White House (Montevideo) press release dated March 2 (as delivered text)

Before I give to you my communications, the thoughts that I have wanted to say to you, I want to express something of my feelings concerning the welcome that has been given me by Montevideo—all the way along the beaches, through the streets with their majestic buildings, and by a people that seemed to be expressing the utmost in friendship.

My only regret is that every member in every dwelling in the farms and cities of my country could not have seen this day, because they would have realized that this people was trying to say, "We are with you in believing in freedom, in our dedication to liberty; and because we are so joined with you, we send across these oceans to you from North America our very best wishes."

I deem it a high honor to address you, the democratically elected representatives of the people of

[8] For text, see *ibid.*

Uruguay. I bring you from my people and my Government earnest expressions of friendship and good will.

The United States shares with Uruguay an abiding desire to live in freedom, human dignity, and peace with justice.

The great wonder of history is that leaders—knowing that peoples everywhere, regardless of economic station, race, or creed, possess a burning desire to achieve these values—still have been unable to prevent the world from becoming tragically divided by mistrust, threat, and even overt hostility.

In our time the destructive power available for misuse is awesome. We now have reached the point in human progress where the choice before us is mutual annihilation or abiding cooperation in the construction of the peace that lives as a cherished dream in the hearts of people everywhere.

Principles Motivating U.S. Aid

At this fateful time the people of the United States find themselves carrying unbelievably heavy burdens. They do this not just in their own interest but for the benefit of all who cherish freedom, all who believe that human affairs should be managed in harmony with basic moral law. They do this for all who are deeply convinced that peoples have the inalienable right to live in peace, with their creative energies devoted exclusively to building the social, cultural, and economic institutions consonant with their own desires.

My country makes these sacrifices with no avaricious end in view. The United States does not covet a single acre of land that belongs to another. We do not wish to control or dictate to another government. We do not desire to impose our concepts of political, cultural, or economic life upon either the largest or the smallest, the strongest or the weakest, of the nations of the earth.

We believe that the people of every nation are endowed with the right of free choice and that the most sacred obligation of the world community is to guarantee such choice to all.

Need I document these assertions? The Philippines today are independent—by their own choice. Alaska and Hawaii are now, proudly, equal partners in our federated, democratic enterprise—by their own choice. Puerto Rico is a Commonwealth within the United States system—by its own choice. After World War I, World War II, and the Korean war, the United States did not in any way enrich itself at another's expense—even from former enemies.

Indeed, it did the opposite. We offered substantive help to others, first for reconstruction and then, because of thundering threats, for the creation of a cooperative defense system to protect the free world from deliberate attack or the miscalculation of arrogance.

Benefits to Latin America of U.S. Programs

I am aware of the feeling of many people in Latin America that the United States, while giving bounteously for postwar reconstruction and mutual security, has been less generous with our good neighbors of this hemisphere. I am the first to acknowledge the fallibility of nations and leaders, even those with the best intentions. But I ask you and all our good friends of the Americas to consider this:

The aid we gave to Europe after the Great War helped restore that area as a producer and buyer to the benefit of Latin America as well as to ourselves. During the war the trade of Latin America with the United States increased sixfold and has been sustained at a higher level since then.

The resources we have exported for the construction of a defense perimeter have been for the benefit of all who desire freedom, independence and the right to be unmolested as they work for the improved well-being of their people.

These efforts have required our people to impose upon themselves the most burdensome levels of taxation in our national history. They have caused us to forgo doing as much as we otherwise would in some internal projects. They have brought difficulties in our international financial affairs.

But—let me emphasize this—the assistance flowing to Latin America from the United States, in the form of private and public loans and technical aid, has been higher in recent years than ever before. Indeed, I wonder if many realize the extent, both in mass and beneficial effect, of the capital going into Latin American enterprise from United States sources.

In the last fiscal year, for example, the private and public funds made available in Latin America from the United States and its companies approximated $1 billion; and it is difficult to see a figure representing the subsidiary benefit

brought about by the creation of new jobs, new markets, and new enterprises.

Yes, while we have known holocausts of anxiety, suffering, and great human tragedy three times in this century, we have not turned inward to indulge in self-pity. We have willingly extended the hand of friendship and cooperation, and in this process we have attached no greater importance to solid, abiding partnerships with any area than we have with those of the American Republics.

Of course we face vexatious problems requiring constant attention. We have them. You do. As for our bilateral problems the record clearly reveals that they have been susceptible of solution when the healing balm of understanding has been applied.

I am keenly aware that all of Latin America—and Uruguay is no exception—is plagued by the fluctuation of raw commodity prices. Latin America has need for industrialization, diversification, education, health facilities, and capital to speed development.

Progress Through Cooperation

Progress in any nation is and must be largely the task of its own people, institutions, and leaders. But the United States stands ready to help in any way it soundly can, within the framework of our world responsibilities and the limits of our resources. Further, we work for the time—not distant I hope—when all the nations of the world in attaining greater prosperity will progressively share in programs of assistance to less developed countries.

Indeed, I would go further. I believe it is the duty of every nation, no matter how large or small, how weak or strong, to contribute to the well-being of the world community of free men. For a time, perhaps, some can supply only certain skills, or personnel, or spiritual support. The important consideration is that we should all accept a common sense of responsibility for our common destiny.

I am sure you hold the concept, as we do, that every human being, given an opportunity to do so, will make his contribution to the general welfare. You must feel, as we surely do, that hunger and privation must be eliminated from the earth by the cooperative effort of peoples and of governments of good will. We are certain, as you must be, that the cooperative effort of free-working men and women, dedicated to and living under democratic principles, can outproduce the regimented working force of any nation suffering under dictatorial control.

Nations must constantly explore new opportunities to be helpful to one another. Who would have thought a few years ago that six nations of Europe would now be joined in a common effort to enlarge trade opportunities, to lower production costs, and thus to improve living standards? Or that seven other nations would develop a loose confederation for cooperation with those six?

Yet these developments are under way. They can contribute to the growth of the free world, provided of course that both blocs operate with due regard for the interests of other countries.

Here in Montevideo last month you were host to a meeting of the representatives of eight nations, at which was taken an important formal step toward the creation of a Common Market in which Uruguay would be a participant. You are dealing here with the possibility of widening each nation's markets in such a way that you increase the efficiency of many industries and thus greatly enhance the opportunity to obtain credits to hasten development. I congratulate you.

Basis of U.S.-Uruguayan Understanding

The beginning point of all cooperation—between individuals, or between groups within a single society, or between nations—is genuine human understanding.

The conclusion within the next few days of a Fulbright agreement between Uruguay and the United States for the exchange of students and professors is an important step in this direction.

Surely we of Uruguay and the United States should not fail in developing the knowledge about one another, and the abiding understanding, on which dependable cooperation may be based. I know you respect our democratic processes, our system of economic freedom, our adherence to those cardinal concepts of human dignity and consecrated intelligence which we draw from our religious philosophy.

Certainly we admire you. The people of Uruguay, like the people of the United States, came

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from many different places, but all were guided by passionate desires for freedom, justice, and opportunity. Under a great leader, José Artigas, you struggled for independence, even as we did under George Washington. And then you set to work.

We have watched the development of democratic institutions in Uruguay with unbounded admiration. We have been impressed with your individualism—with the development of the flaming spirit of liberty, justice, and self-discipline in the citizens of Uruguay. And we have applauded your successes as you have battled against human want, without sacrifice of human liberty.

It is no wonder that, in a world in which millions have been subjected to the philosophy and fetters of vicious tyranny, we feel a deep spiritual relationship to you.

We have worked well together in helping build the most influential regional organization on earth, the Organization of American States, in helping make the United Nations an instrument of true promise for international cooperation, and in seeking the solution to the problem of transcendent importance: peace, with justice, in freedom.

Controlled, universal disarmament is now imperative. The billions now living demand it. That we can make it our children's inheritance is our fondest hope. The United States is deeply committed to a ceaseless search for genuine disarmament, with guarantees that remove suspicions and fears.

Nearly 7 years ago I said what I now repledge:[9] The United States "is ready to ask its people to join with all nations in devoting a substantial percentage of its savings achieved by disarmament to a fund for world aid and reconstruction."

Members of the Congress, I thank you profoundly for the honor of meeting with you, for your generous hospitality, and for the friendly greetings of the Uruguayan people whom you represent. May God favor you in your efforts to promote the interests of your people in freedom and inspire you to still greater effort in our common struggle to achieve a world which lives in harmony under moral law.

[9] For an address by President Eisenhower before the American Society of Newspaper Editors on Apr. 16, 1953, see *ibid.*, Apr. 27, 1953, p. 599.

JOINT DECLARATION, MONTEVIDEO, MARCH 3

White House (Montevideo) press release dated March 3

The National Council of Government of the Oriental Republic of Uruguay and the President of the United States of America have agreed to make the following declaration defining the basic principles which, in each of their countries, govern the international relations of their respective peoples and inspire the ideal of freedom which binds them:

1. The sacred respect for human rights and dignity, the strengthening of their democratic institutions and the repudiation of all manner of anti-democratic actions or penetration;

2. The wide and growing acceptance of these same principles throughout the Americas in accordance with juridical standards freely accepted by the participating states, and, therefore in strict compliance with the principles of non intervention;

3. The most sincere and wholehearted support of institutions and organizations for international cooperation which promote both universally and regionally, in accordance with the rules of international law, the consolidation of peace, the strengthening of international security and the parallel economic, social and cultural development of the American nations, as well as the rest of the world.

4. Both countries will endeavor to increase their economic, social and cultural cooperation directly and through international organizations.

5. This declaration shall be known as the Declaration of Montevideo.

Secretary Herter's News Conference of March 9

Press release 110 dated March 9

Secretary Herter: I should like to begin this morning with a few remarks in regard to the recent trip to four nations in South America. The President reported last night to the Nation over the radio and TV and covered most of the essential matters in connection with that trip.[1] But I do want to add my own comments because I think they have some significance and fall in the category on which the President himself didn't wish to comment.

The reception that he received in every one of the capitals that he visited and the other cities that he visited in those four countries was a truly remarkable thing. It was a very great personal tribute as well as a tribute to the United States. Many of you who have traveled with him can recognize the amazing magnetic qualities that he has when he stands up in his car and waves to the crowds that are assembled on the street—a magnetism which seems to call from the crowds a type of enthusiasm which he himself reflects in the warmth of his response to the crowd. It is a two-way activity that is very extraordinary. And those of us who followed some distance behind the President himself could see the real warmth and happiness on the faces of the people who felt that he had really greeted them personally as he went along.

The size of the crowds, of course, was enormous, and I had the feeling that, not alone from the point of view of our relations with the peoples of those countries but also from the point of view of the impression that the people's attitude toward the President made on the government officials, the trip was an unqualified success.

I say that because of course the President can't talk about his own personal popularity, but to me it was a very extraordinary outpouring and a very gratifying demonstration not only of warmth for the United States but of personal appreciation of his efforts in making the visit and an acceptance of a very unusual personality.

Q. Mr. Secretary, there seem to be some doubts in Latin American quarters on how long that impression should last unless it is followed with some complete policy measures, increasing economic aid, and perhaps also responding to President Kubitschek's demand of consulting more closely with Latin America in formulating overall Western policy. I wonder if you could comment on that.

A. Yes. I think there will be a followup inevitably. As you know, the capital of the Export-Import Bank has been increased very considerably. The new Inter-American Bank has been created and is in the process of organization, and it will of course be an instrument of very great importance. The discussions that Mr. Kubitschek is anxious to have take place, not only in the Organization of American States but in bilateral talks, we have agreed to, we are anxious to proceed with, and I think we have worked out the mechanism by which that will be done. I think that there will be a followup. I think that, as the President said last night, we realize fully the need of capital, both private and public, in the development of Latin America, and we are very much aware of the desirability of moving as fast as it is possible in assisting the nations of Latin America to develop themselves.

Q. Mr. Secretary, on his recent trip to the Far East, Mr. Khrushchev said that if the Western Powers did not come to some agreement with him on Berlin at some point he would have to go ahead with a separate treaty for East Germany. He also said when he got home from that trip that he

[1] See p. 471.

thought it was time for everybody to avoid doing or saying anything which might impair the prospect for agreement at a summit conference. I wondered how you assessed these matters and what the United States attitude is toward this approach period before the summit.

A. Well, there are two separate thoughts to the question you have asked, as I see it. The first has to do with Khrushchev's statement that was made in Indonesia. Whether or not that constituted a violation of the agreement made at Camp David and confirmed in the exchange of statements immediately after Camp David with respect to there being no time limit on negotiations with respect to Berlin and the German question, it is our own impression—and we have studied that statement very carefully—that there is no time element involved. The statement made in Indonesia is similar to statements that Mr. Khrushchev has made in other places before he took that trip in which he has indicated that, if no progress is made, there will come a time when he will be forced to a separate peace treaty with East Germany. That is not at variance necessarily with the earlier agreement. But we cannot see that he has put an ultimatum date, a specific date, on that statement.

With respect to the second part of your question, I am not certain whether you are referring to any particular incident or not. If you are referring to the matter of high-altitude flights, I can just say this, that the British, the French, and ourselves have always taken the position that we have the right to fly at whatever altitude we see fit in the corridor, that there has never been any restriction agreed upon from the point of view of the height. It is true, however, that we have this matter constantly under review from the point of view of the operational necessity of high flights. The most recent review, which was concluded after the President came back, determined that there is no operational necessity at the present time. Should that operational necessity arise, we are in agreement that we have the absolute right to fly at whatever altitudes we see fit.

Q. Mr. Secretary, there have been reports that a decision was made to make those high-altitude flights because of the operational efficiency of them. Can you say whether there has been a change of mind as between operational efficiency and operational necessity?

A. No. I think that the two go together. And I think that the review, as I say, while it was in the course of being made and was concluded after we got back from South America, determined that there was no operational necessity or any need of these flights for the sake of efficiency at the present time.

Q. Mr. Secretary, may I ask whether this in effect reverses a decision reported about 10 days ago referring to a situation about 3 weeks or a month ago in which there was supposed to have been a decision made to conduct such flights at an early date?

A. No such decision was made.

Relations With Cuba

Q. Mr. Secretary, can you tell us whether the administration has been considering the possibility of breaking off diplomatic relations with Cuba? And could you tell us what extremities might have to prevail to precipitate such action?

A. No. We have given no consideration to breaking off diplomatic relations with Cuba. Circumstances might arise—and I don't want to specify what they are—which would require us to break off such relations. I hope those circumstances will never arise. We, as you know, have been hopeful throughout that the atmosphere of our relationship with Cuba would allow us to settle through diplomatic means such differences as we may have with Cuba.

The most recent unfortunate statement of Mr. Castro's, to which I referred the day before yesterday [March 7] with the Cuban Chargé d'Affaires unhappily tried to turn the very real grief that the Cuban people have and that we have over that hideous explosion in Habana Harbor to animosity against the United States. We felt that that was a very unfortunate thing. As you know, I spoke quite severely to the Cuban Chargé on this matter. The Cuban Government is clearly taking the point of view that they resent the language that I used. I notified the Cuban Chargé that we would be sending a formal note on the subject which will undoubtedly go out before the end of this week.

Q. Mr. Secretary, do you agree with the Cuban assertion that some of the language that you used in talking with the Chargé was insulting in any way?

A. No. It was not insulting at all. The language was very carefully chosen, and I thought it was not insulting in any way, but it fairly reflected the views I held with respect to the occasion of the burial of these victims being used to arouse animosity against the United States.

Q. Mr. Secretary, going back to the previous question on the Berlin problem and flights, I think the question was phrased, had we changed our decision to send flights in—something to that effect. What I would like to know is whether we had decided earlier, within the last month, not to send flights but to inform the Soviet authorities again with a restatement of our feeling about this problem and our rights, and was that decision changed?

A. No decision had been reached on that. We have discussed the matter from time to time with the French and the British, and we have been in complete agreement on the matter.

Q. Mr. Secretary, on the Cuban matter, the Cuban reaction was that your language to the Chargé was couched in terms of the personality of Premier Castro, and I believe their note requested that this not be done in the future. Will this have any effect on your future dealings with the Cubans?

A. Well, it was inevitable that I should comment on Mr. Castro's speech, because that was the occasion for my calling the Chargé in. It was Mr. Castro who had utilized this occasion, to my mind very unfortunately, to try to engender animosity against us, and even more than that to point the finger at us as being responsible for the explosion. Obviously in talking about that I could only refer to Mr. Castro's speech and characterize it as I did.

Q. Mr. Secretary, how do you see the prospects for an agreed Allied position by the opening of the disarmament talks next week in Paris?

A. I am very hopeful that there will be an agreed position. There have been reports to the effect that there were some differences between ourselves, shall I say, and the French in this matter. They have been largely a matter of degree and emphasis, and I am hoping that those matters will be straightened out in the talks that are taking place in Paris at the moment, and I am very hopeful that they will be.

Q. Could you tell us what issues are involved?

A. No, I would rather not get into the question of the issues involved. If they are satisfactorily resolved, we will have a united front.

Q. Mr. Secretary, do you regard it as a little unusual that the envoys of 10 Arab nations should have registered a complaint about the visit of Premier Ben-Gurion here?

A. Well, I don't know how to comment on that. Of course, they had a perfect right to do it if they saw fit to do it.

The question of their visit here raises the whole unhappy relationship between Israel and the Arab states. And, as you know, we have hoped for a long period of time that we would be in a position to do what we could to ameliorate that situation, and I certainly don't want to say anything that might make it worse.

Q. Mr. Secretary, on Cuba, what advice is the Department giving American corporations that are now saying they are going to have to pull out of Cuba, that they can't operate down there any more? And, also, similarly, what advice is the Department giving to American firms that are not getting paid for goods shipped to Cuba prior to September 15?

A. In general, the advice that has been given is that, since the troubles that they are having are due to internal factors controlled by the Cubans, they should exercise such legal remedies as are available to them. If they can get no satisfaction through the exercise of legal remedies, they should then come to us and, where we feel that they have not been given an opportunity to exercise those rights, we will take up their cases.

Q. Mr. Secretary, in your luncheon meeting with Mr. Hammarskjold, what progress did he report with respect to his negotiations to end the continuing blockade in the Suez against Israel's ships and ships of other nations carrying Israel's goods?

A. That was a matter that was not discussed.

Q. It was not discussed at all?

A. No, not at all.

Q. Do you have anything new to report on progress being made in this respect?

A. No. We had a long discussion, but the principal matters that we discussed did not involve that.

Q. Mr. Secretary, a few moments ago when you referred to this C–130 business you referred to consultations or discussions with the British on that. Did you mean to exclude the French from those consultations, and, if so, why?

A. No. It was my impression that I had said both the English and the French. Because, throughout, these have been tripartite discussions.

Q. And West Germany?

A. No, not necessarily the West Germans, because this is primarily a responsibility of the three nations.

Q. Mr. Secretary, while you were away in Latin America there were a good many stories written to the effect that the Americans, the British, and the French had reviewed the question of high-level flights and had decided that it would be desirable to reintroduce them at this time and that the Soviets were going to be notified one way or another. Now, is what you are saying is that all these stories are incorrect and there had never been such a review or decision?

A. I am saying that no such decision had ever been reached.

Treaty With Japan

Q. Mr. Secretary, as I am sure you know, in Japan these days there is a great deal of intense controversy about the new treaty which you signed in January here.[2] *Particularly, the controversy centers on the challenge that this treaty and the American bases there would expose Japan to a greater risk of involvement in a war. And also that this treaty runs counter to the efforts by the United States to reduce tensions. Can you deal with those questions now?*

A. I think that the arguments that you have raised against the treaty are the ones that are being advanced particularly by the Soviet Union in its continuing attacks on that treaty and have been picked up by some of the opposition to the Government in Japan. We do not place any credence in those, and I do not think that the Japanese Government does. And, in fact, we have felt that in the signing of that treaty we were signing a treaty of mutual benefit to both of us, that its aspects were essentially defensive, and that there was no element of increasing tensions in any respect with regard to the carrying out of that treaty. I can only repeat what I think I have said previously: that the efforts of the Soviet Government to try to either slow down or force a rejection of the treaty in Japan are a clear violation of the precept of not interfering in the affairs of another country.

Q. Mr. Secretary, as you know, the execution date for Caryl Chessman has been set again for May 2. I was wondering if you heard very much about the case when you were in South America and if you plan to handle any foreign protests yourself, if there are any between now and the next one? (*Laughter*)

A. In South America I did hear a good dea about it. Apparently his writings and his cas have stirred up a lot of interest—to me, quite surprising amount of interest—in many countrie in South America. I didn't realize how muc interest there was in it until we were told b those who were not alone familiar with the situa tion in the four countries that we visited but i other countries as well. It is an interest that think is born out of a feeling against capital pun ishment. I don't think that the interest is nec essarily confined to any particular group in thos countries, but it is, again, one of those thing that have been exploited by those who are anti North American to attempt to put us in a ba light. I have no idea, of course, whether ther will be any further protests from South Americ or from any official organs of South America. I there should be, we would forward them in th usual routine way. We would probably put clearer disclaimer from the point of view of no representing our judgment than the last on (Laughter)

Q. Mr. Secretary, you mentioned coming talk with President Kubitschek of Brazil. Our polic has been, for the last year and a half, that the should go to the International Monetary Fun and work out some sort of stabilization agreemen or anti-inflationary measures before coming to u for further loans. Is that still our policy, d has there been a change in that policy?

[2] BULLETIN of Feb. 8, 1960, p. 179.

A. No. Actually, the problems of Brazil are of such magnitude that Brazil will have to work out with the various financial agencies the best way of handling those matters. The question of the determination as to whether the Brazilians would take such internal steps as the International Monetary Fund requires is, of course, a matter for its own decision. It is something that it is pondering, I think, even now. It is still having real inflationary problems; and, on the other hand, its internal economy has, I think, progressed more favorably than had been anticipated a year ago.

Q. You mentioned, sir, the increased funds for the Export-Import Bank. Now, many of these countries in Latin America are beyond their ability to service hard loans any more, and much of the DLF's funds for this coming year, the majority at any rate, are earmarked for India and Pakistan. Now, are we contemplating asking for more contributions to the new Inter-American Development Bank, or some special arrangements?

A. No, not at once. Of course, the Inter-American Bank will have to start slowly. It may be disappointingly slow. I hope not. The question of more capital for it before it has even begun seems a little premature.

Q. Mr. Secretary, it has been suggested that in the forthcoming German negotiations Chancellor Adenauer has a veto power over any decision that we might make there. We have said that we would make no agreements with the Soviet Union that would not be satisfactory to the people of Germany and the people of Berlin. Is this not true then, that Adenauer does have veto power over our decision regarding Germany?

A. Again, when you speak about our decision over Germany, we don't pretend to have the sole right to make a determination as to what shall be done with Germany. This is a matter that we have continuously felt was one for consultation between the British, the French, the Germans, and ourselves as the powers principally responsible and principally concerned.

The question, of course, of an overall peace treaty which would settle the East German situation would, naturally, affect a great many more countries besides. So that in the Berlin situation, in which the predominant interests of these four nations reside, we have never taken it unto ourselves to say that anyone has necessarily a right of veto or that we have a right of veto. What we are obviously trying to do is to concert our position as best we can, and I think that in connection with that the visit of Chancellor Adenauer next week may be very significant.

Q. Mr. Secretary, Senator Kennedy yesterday won a nice victory in New Hampshire, and he told us at the Press Club, and several other times, that if elected President he would abandon the Quemoy and Matsu Island groups. Now I wondered what you think about that, sir, and if you think that is a violation of the traditional American theory that politics should stop at the waterline.

A. I would rather not get into any altercation with Senator Kennedy at this time. I can only say this: that the determination regarding those islands is left in the hands of the President of the United States today. It is he who determines whether or not the security of those islands is tied in with the security of Formosa, on which we have a treaty agreement. And I would assume that if Senator Kennedy became President of the United States he would have exactly that same discretionary power.

Q. Mr. Secretary, in Latin America the administration is confronted with two vividly, if not violently, contrasting situations. You spoke of the President's triumph on his tour, and we are now faced with the crisis of relations with Cuba. Has any consideration been given to the possibility of turning the President's magnetism directly on Mr. Castro—(Laughter)—either through a message or through a visit to one capital or the other? And as a corollary to that question, what did you find in South America to be the sentiment of our Latin American friends regarding the Castro regime?

A. With respect to the first, this is a matter which, as far as I know, has not been under active discussion. With regard to the second, I think we found a considerable unanimity of feeling, of very real anxiety, with respect to the direction in which the Castro regime is heading. There was, I think, real appreciation of the patience with which we have dealt with the situation and still a very strong feeling about nonintervention,

the principle that is naturally of such sensitivity in the whole of Latin America.

Q. Mr. Secretary, I would like to take another crack at the Berlin flights question: If no decision or consideration had been given to resuming flights above 10,000 feet, why was it necessary, after the President returned, to make a decision that they were not now operationally necessary?

A. It was not necessary to make a decision, but the decision was one that was pending. The review was underway before the President got back, was brought to him, and he made the decision.

Q. Mr. Secretary, can you tell us whether there is likely to be any important change in Russian-American relations as a result of the note the President received yesterday from Mr. Khrushchev?

A. No, I can't comment on that. Any comment on that note will have to come from the White House.

Q. Mr. Secretary, you have talked about Mr. Khrushchev's comments in Indonesia and have said that we have concluded that there was no ultimatum aspect. What do you think about the tone of his utterances and his repeated references to the necessity of signing a separate peace treaty with East Germany, unless some sort of solution is forthcoming in a—fairly early?

A. Well, this tone that you speak of was not apparent for the first time in Indonesia. He had made a number of statements of the same kind before he took this trip. How much they are for internal consumption, how much they are intended to put us on notice that this is going to be the principal matter which he will want to discuss at the summit, is hard to tell. Whether this is a tactical move or whether this is something that he is going to press and try to press to a conclusion at the summit, we don't know.

Meeting Latin American Development Needs

Q. Mr. Secretary, one continuous theme that seems to have permeated the conversations and the public statements with the President in Latin America was the real effort by the Latin American leaders to dramatize to the United States that there are two fundamental ideologies struggling to capture the public imagination in Latin America—who can meet the needs for development more quickly. And this, in turn, seems to have stirred some expectation that we would have a—rather a whole series of new ideas, of new policies for the area. Now, some people felt that the President's statement yesterday—the most dramatic thing was apparently a crash program for people here to learn Spanish. Was there any additional—is there some fundamental change that we are contemplating besides that?

A. I wouldn't say there was any fundamental change. And let's not forget that over the last 10 years a great deal of American assistance has gone into Latin America. More is needed. It's a question of degree. It's a question of priorities. It's a question of determining where such aid as we can give, or other nations can give, can be most effectively used. Those are things that we have got under very active consideration. I would say that, if nothing else, this whole trip has been very helpful in our overall awareness of the urgency of the problem as it has been presented to us not only in other nations of the world but also in the Latin American area.

Q. Mr. Secretary, if I may refer once more to this much-discussed matter: I gather from what you say about the Berlin flights that what the President decided against yesterday was any immediate flight plan at a high level between West Berlin and West Germany. And I wanted to ask you whether it is unlikely now that any such flights would be undertaken before the summit conference.

A. I don't think it has any direct relation to the summit conference at all. I think that this was determined entirely on the question of operational needs as of now. If those operational needs should change, we would feel entirely free to move ahead.

Q. Well, I asked the question that way, sir, because you mentioned the subject in response to the first question I asked, which had to do with Mr. Khrushchev's suggestion that nobody should do anything to upset prospects for an agreement.

A. Well, I was merely speculating that this was what you were inquiring about.

Q. Mr. Secretary, how much longer do the American people have to take Castro harangues

without doing anything more positive about it, except to say that the charges are not true? Is there anything more definite that we can do except deny his charges?

A. Well, as you know, the President has said that we are not going to take economic countermeasures. The Sugar Act will be up before the Congress. It will have to be renewed in some form or other before the end of the congressional session. Whether or not the members of the Congress will have ideas on this subject themselves, or not, I can't speculate. I can't tell what they are likely to do.

Q. Mr. Secretary, there is a report today from Paris that there was a postwar agreement, as yet undisclosed, among the United States, France, and Britain, agreeing on world strategy, and that this agreement led to a series of meetings at which our representative was General Ridgway, and eventually this process led to the formation of NATO.

Now, the French have for a long time been pressing for this approach to world affairs, that is, three-power agreement on their policy around the world, and I wondered whether there has been any reconsideration of the United States position on this matter in view of President de Gaulle's coming visit, at which the question is likely to be raised again.

A. No. I don't think there has been any change in our position. From time to time we have had talks with the British and French about many matters. Those have been of an informal nature. They are not institutionalized in any way. But those will undoubtedly continue in the future.

Nuclear-Test Negotiations

Q. Mr. Secretary, could you give us a progress report on the nuclear-test negotiations in Geneva?

A. Well, as of the present moment we are still waiting for a specific answer from the Russians to our latest proposal, which they have not given us. The matter has stalled to a considerable extent on this question of quotas. We have agreed to their criteria, which were very different from those before—the proposal that we made. Their criteria now are that any event of any kind which is registered by seismology could be subject to inspection. But they will not say that they are willing to relate the number of inspections that take place to the number of such events that might be recorded. Because, as you go down into the lower tremors, of course, there are a great many more such tremors recorded, and obviously, if one were going to try to determine whether or not they were of a natural nature or an artificial explosion, you would have to have a great many more inspections. We are still stuck on that point.

Q. Mr. Secretary, does it appear to you, sir, that Mr. Castro and others in the Cuban Government are deliberately kicking us in the teeth in the hope of forcing us into a policy of reprisals?

A. Well, it is not my business to try to interpret their motives. But the minute things seem to be riding along a little more smoothly, they seem to go out of their way to make them more difficult.

Q. Mr. Secretary, among the many heads of state coming here in the next few months are Chancellor Adenauer, the King and Queen of Nepal, President and Mrs. Charles de Gaulle of France, and the King and Queen of Thailand. Is the State Department, in assisting in the press arrangements, arranging them so that all accredited reporters, regardless of sex—(Laughter)—may be able to cover the functions that presumably are press-sponsored?

A. The answer to that question I will leave to my friend, Mr. Berding, right here.

Q. Mr. Secretary, what changes do you favor in the Sugar Act?

A. I would rather not comment on that at the present time. The administration position has not been firmed up. As soon as it is and we send our reports up to the Congress, you will know what it is.

Q. Thank you, sir.

Foreign Ministers To Meet at Washington in April

Press release 116 dated March 11

As part of the continuing preparations among the Western Powers for the May conference of heads of government, arrangements have been made for a series of meetings of foreign ministers to take place at Washington between April 12 and 14.

Invitations from the U.S. Government to attend these meetings have been accepted by the Foreign

Ministers of Canada, France, the Federal Republic of Germany, Italy, and the United Kingdom. NATO Secretary General Paul-Henri Spaak has also been invited and is expected to attend.

The composition of the various meetings will vary in accordance with the subjects for discussion and will follow the general pattern which has been established for the preparatory working groups that have been meeting here at Washington, at Paris, and at London. The Foreign Ministers of Canada, France, Italy, the United Kingdom, and the United States will meet to discuss the subject of disarmament. The Foreign Ministers of France, the Federal Republic of Germany, the United Kingdom, and the United States will discuss the problem of Germany, including Berlin. The Foreign Ministers of France, the United Kingdom, and the United States, and the Secretary General of NATO will discuss East-West relations. The Foreign Ministers of France, the United Kingdom, and the United States will discuss tactical and procedural questions relating to the summit meeting.

The exact schedule of the meetings will be announced later when final arrangements have been made.

Thomas Masaryk Honored as "Champion of Liberty"

Remarks by Under Secretary Merchant[1]

I am pleased to be here today to share in paying homage to Thomas Masaryk. In honoring him as a champion of liberty, we also mark our dedication to the principles by which he lived and which he translated into action in his own country—principles of freedom and human dignity which are fundamental in American society and which motivate us in our international relations.

In paying tribute to President Masaryk we honor both the father of Czechoslovakia and the social philosopher who looked at life and society from a deeply moral point of view. His strong convictions as to the democratic and moral basis of the state helped to shape the free Czechoslovakia that played so influential a role in European affairs. He expressed these convictions when he said that "no State, no society, can be managed without general recognition of the ethical bases of the State and of politics; and no State can long stand if it infringes the broad rules of human morality."

Interested in American history and institutions Masaryk was impressed by the Jeffersonian philosophy of democratic federalism—represented in the voluntary association of free people. Concerned with the freedom of Czechoslovakia and her neighbors, Masaryk was outspoken in his advocacy of freedom and self-determination for these peooples.

It is fitting that we today refer to these principles, to which the United States has given—and continues to give—its full support. In championing the aspirations of these European nations for independence almost half a century ago, the United States respected their right to establish by their own free choice the government and institutions which best satisfied their needs as they saw them. Today we continue to support the right of these peoples to institutions of their own free determination. It is an article of American faith that, in the spirit of Thomas Masaryk, free men remain dedicated to the search for freedom and human dignity for all mankind until these high goals are realized.

[1] Made at a ceremony dedicating the Thomas Masaryk "Champion of Liberty" postage stamp at Washington, D.C., on Mar. 7 (press release 108).

Economic Assistance in United States Foreign Policy

by Charles E. Bohlen
Special Assistant to the Secretary [1]

When I was asked to speak to you on certain aspects of our foreign aid programs, I really wondered whether I was qualified to speak to you on this subject. It has not been within the limits of my specific experience in the American Foreign Service, and I am therefore not competent to discuss with you the complexities of this very large subject, the vast variety of our present aid programs through the world, or the particular problems of administration and execution which are involved. However, since mutual security programs, as foreign aid is termed in Washington, are indeed an integral and continuing part of our general foreign policy, I thought I would speak to you today not on the actual facts and figures of the programs themselves but rather on the origin of these programs from a historical point of view and their effect in broad terms on our foreign policy and its conduct. In so doing I shall keep the use of figures to a minimum.

In discussing the history of assistance to foreign countries and its development as an integral part of our relations with friendly countries abroad, it should be emphasized that this is a comparatively new venture in relations between nations. Prior to World War II, with the exception of wartime loans, certain emergencies, and a modest amount of foreign lending by the Export-Import Bank established in 1934, government-to-government assistance was virtually unknown. To grasp what has happened to the United States position in the world in the last generation, I might mention that, at the time I joined the Foreign Service in 1929, the budget of the State Department for that year was $14.5 million. This appropriation was not only for the administrative expenses of the Department of State, including salaries of its employees in Washington and abroad, but also included the U.S. contribution to existing international organizations such as the U.S.–Mexican boundary committee, the Pan American Union, and the International Fisheries Commission. The State Department budget thus represented, together with some small additional appropriations from other Government departments, the total cost to the U.S. taxpayer of conducting our foreign relations.

Now what is the comparable cost of United States foreign relations today, 30 years later?

For the 1961 fiscal year the Department of State budget is $247 million, 17 times greater than in 1929. But this does not include the cost of our foreign military and economic assistance, which is embodied in the Mutual Security Program. On February 16 the President transmitted to Congress the administration's request [2] for the Mutual Security Program in the 1961 fiscal year of $4.175 billion. There can be no more dramatic indication of the changed role of the United States in the world today than in the comparison with the figure I gave you earlier for 1929—$14 million—and approximately $5 billion. And this of course does not take into account that portion of national defense which supports our military establishments overseas.

What are the reasons for this vast increase in U.S. expenditures in the field of its foreign relations which has come about within the span of one generation? The basic reason, of course, is that the world situation which we face now compared

[1] Address made before the Greater Philadelphia Area Committee for UNICEF at Philadelphia, Pa., on Mar. 7 (press release 106).

[2] For text, see BULLETIN of Mar. 7, 1960, p. 369.

to 30 years ago has undergone its own form of revolution.

I cannot here go into all the vast changes which have occurred in the world during that period or the immense increase in the role that the United States has been called upon to play in these changing circumstances. But it is sufficient to say that in 1929 the United States lived in a state of virtual political isolation from the world. We enjoyed a position of greater security than that of any other major nation in the world. With friendly neighbors to the north and south of us we were also protected, under the conditions of military capabilities then prevailing, by the broad expanse of two oceans. Furthermore—and this is extremely vital to the understanding of what has happened in the world—the great democracies of Western Europe stood guard on the ramparts on our behalf to a greater degree than we perhaps realized at the time. In addition, these democracies governed and controlled large sections of the world in the shadow of whose authority and policing functions we in large measure lived. In two world wars these countries took the first shock of an onslaught antagonistic to the philosophy of human society and ideals which we had in common and thus afforded this country the priceless element of time in which to mobilize our resources, both human and material, to join in beating back the attack.

Insofar as the United States is concerned, this all changed in a breathtakingly brief period of time. We found ourselves catapulted in the space of some 15 years from a position of relative security, when we could divert our entire energies to our own national development and the advancement of our own society, to a position of responsibility in the world perhaps unequaled in human history. These fundamental changes in the world, and in particular our position in it, underlie the whole question of foreign aid. Having learned, although possibly imperfectly, certain lessons of World War I, we approached the entire problem of the conflagration which broke out in the world in 1939 with a somewhat more understanding attitude.

The Lend-Lease Program

The beginning of the conceptions which underlie our policies of assistance to foreign countries may in part be found in a specific measure adopted by the United States before it was a belligerent in World War II. I refer, of course, to lend-lease Although we were not militarily involved in th war, lend-lease was nonetheless a clear expressio of the recognition of the United States Govern ment at that time that our interests were vitall and indissolubly bound up with the fate of th Western democracies engaged in a struggle wit the Axis powers. Lend-lease was the forerunne of our future aid programs in that it recognize that U.S. contributions to the common cause o national survival could not be treated merely a commercial transactions.

We had learned after World War I that the a tempt to collect, on a bookkeeping basis, loans a vanced for the prosecution of a war in a commo cause was not only morally questionable but al economically and politically undesirable. T idea of lend-lease, which was subsequently carrie over into the time when we were an active bellige ent in both the European and Far Easte theaters of war, was predicated on the recognitio of these simple facts. We have never, therefor sought to collect from any of our former alli repayment for the military supplies and equi ment, and indeed for any supplies consumed, du ing the course of the war itself. Lend-lea settlements dealt merely with what is known civilian inventory with due allowance for depr ciation of such items of lend-lease supply as h a continuing and real value to the economy of t recipient country. Although entirely related the prosecution of the war, nevertheless lend-lea itself indicated a keen awareness on the part of t United States of the role that it might be call upon to play in the postwar world in the field foreign assistance.

The second phase of this developing progr of assistance was found in our contribution to ta care of the immediate human needs of the peo who had suffered so heavily during the war. F the Allied and friendly countries this took the fo of UNRRA [United Nations Relief and Rehabi tation Administration]. For former enemy co tries this assistance went under the name GARIOA [Government and Relief in Occup Areas]. It was obvious that the first great t of the postwar period of reconstruction and covery would be to take care of the simple hum wants of the peoples most afflicted by the rava of the war. This was the essential purpose UNRRA and GARIOA. However, it soon beca

pparent that the mere alleviation of human suf-ering was not sufficient to restore economic health nd political stability. Measures of a longer term nd more coordinated nature were clearly ecessary.

he Marshall Plan

It was in response to this need that the United tates developed the first coherent measure of conomic recovery, generally known as the Mar-hall plan. The aim of this great venture, cer-ainly one of the most successful in U.S. post-ar history, was of course to assist European ountries which had suffered particularly from he war and which wished to retain their inde-endence and their ability to order their own ffairs. It was heavily influenced, however, by ne of the central facts of our time. The Soviet otalitarian system and the postwar policies of its eaders had emerged as a new menace to the powers o recently victorious over the Axis coalition. It as this visible threat of unchecked Soviet power, upported by widespread Communist subversion nd infiltration, that lent the Marshall plan its rgency.

I might go back here a bit into history and escribe to you a single event which had a very mportant impact on the thinking of General Marshall, then Secretary of State, and therefore n the development of this concept of American oreign assistance. In Moscow in 1947, toward he close of the Council of Foreign Ministers eeting, General Marshall paid a courtesy call pon Stalin. I accompanied him as his inter-reter. We were about to terminate almost 6 rustrating weeks of discussion of the central roblems of the postwar settlement in Europe, articularly that of German reunification. We ad encountered during this time Foreign Min-ster Molotov's unquestionable skill in obstruction, iversion, and delaying tactics. The conference, s you all know, made no progress whatsoever in he task of postwar European solutions. During his interview Stalin seemed to view with com-lete equanimity, and even satisfaction, the pros-ect of a Europe continuing to flounder in conomic disorder and hopelessness. He saw no eason for any urgency in the solution of the prob-ems put to him by the Western foreign ministers. n fact, he very clearly left General Marshall ith the impression that he welcomed rather than deplored the prospect of a steady deterioration in the European situation. It was clear that he looked on an enfeebled Europe as nothing but an asset to Soviet ambitions.

Stalin's cynical attitude toward the problem of European recovery made a deep imprint upon the mind of General Marshall. I have always believed that this meeting in the Kremlin convinced General Marshall that some program would have to be devised with the utmost urgency if Europe were to recover and not to drop like a ripe plum into Soviet hands.

Time does not permit me to outline in any detail the various steps which led to the congressional adoption of the Marshall plan in 1948. The speech of General Marshall at Harvard University on June 5, 1947,[3] while very short, nevertheless set forth most succinctly and clearly the concept of this great venture in foreign assistance.

It is this philosophy of self-help and mutual assistance expressed in this speech which has remained at the heart of all our foreign aid programs, whether administered bilaterally or under U.N. aegis.

You all know how brilliantly the Marshall plan succeeded in its original objectives and indeed far surpassed them. Western Europe has now regained its economic vitality and political stability. Many Western European countries are beginning to share with us in increasing measure the burdens of economic and financial assistance which the less developed parts of the world so urgently need at the present time. I think it is safe to say that Western Europe, with its enormous productive capacity and skills, has been made secure against subversive activity and penetration by communism. It is sufficient to contemplate what perils the United States would have confronted if Western Europe had passed into the Soviet orbit in the immediate postwar period. At the present time we continue to give some military assistance to the countries of Europe whose economy still does not permit them to incur the vast expense of modern armaments, but U.S. economic assistance to Europe has dwindled almost to the vanishing point. The recovery of Western Europe and the American part therein in a sense brought to a close the third period of the development of American foreign economic assistance.

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[3] For text, see *ibid.*, June 15, 1947, p. 1159.

Aid to Less Developed Countries

The fourth period, which we are now in, primarily relates to the necessity of affording economic and financial assistance to the less developed countries of the world, as well as to those in close proximity to the centers of Communist power. In the last few years 21 countries have emerged into independent national life, with 6 more African countries due to assume this status in the next year. These are countries which for one reason or another have entered the modern era at a much lower stage of development than that of the advanced industrialized countries of the world. It is in the area of these less developed countries where very possibly the outcome will be determined of the worldwide contest now going on between the Soviet concept of the organization of society, which we generally and sometimes inadequately describe as communism, and our own complex of beliefs.

Before proceeding to a description of our current aid policies and programs, I should like to say a few words concerning the Soviet entry into this field. Up to 1954 the Soviet Union had no programs of assistance to any parts of the non-Soviet world. Her efforts in this direction were directed solely toward her economic relations with the satellites in Eastern Europe and subsequent to 1949 to Communist China. In 1954, however, the Soviet Union entered the field of economic assistance to countries outside of her immediate area of control and influence. If, as the popular saying goes, imitation is the sincerest form of flattery, surely there is no better tribute to the efficacy and value of the assistance programs of the United States than the fact that the Soviet Union, once it was economically able to do so, has emulated our policies in this field. Their effort has not been inconsiderable and shows every prospect of growing. In the period from 1954 to 1959 the Soviets committed themselves to a total amount of assistance, both economic and military, of some $3.2 billion, of which $2,450 million were in economic assistance alone.

With the exception of a small $17 million credit to Turkey, $5 million to Iceland, and $104 million and $2 million to Argentina and Brazil respectively, the entire emphasis of Soviet aid has been in the area of so-called "neutral" or "uncommitted" countries. This distribution of Soviet aid demonstrates its highly political purpose which in the short run at least does not seem to be the promotion of an actual Communist take over in those countries so much as to influenc the foreign policy of these countries, to tie then as closely as possible to the Soviet bloc. Sovie assistance is not primarily directed toward assist ing in the sound economic development in thos countries but rather toward influencing the gov ernments' attitudes toward international affair in some cases by seeking to engender popular sup port. Not being accountable to its own people, a democratic governments are, the Soviet Govern ment has a greater degree of flexibility in th handling of its aid programs. Soviet program therefore tend to concentrate on projects whic have immediate psychological impact rather tha on those which are sound factors in futu economic growth.

But although the tardy entrance of the Sovi Union into the aid field makes clear the natu of the challenge that faces the West, our efforts t promote the development of the less develope countries have their own integral justification i respective of the extent of the Soviet effort. Th danger to the developing countries is not Sovi aid so much as it is the possibility that their ow growth may lag behind aspirations and that di content may push extremist leaders to the for So long as the uncommitted countries are awa that the West is willing to provide a timely alte native to dependence on the bloc, they can resi any improper pressures that the Soviets may see to apply.

Aid Programs and Conduct of Foreign Policy

Assistance programs of one form or anoth and in varying degrees of magnitude have no become an organic part of our international r lations. What has been the effect of this maj new development on the conduct of our foreig policy? One of the first results has been to involv Congress more directly and intimately in the o eration of our foreign affairs. At the time entered the Foreign Service some 31 years ago, I have already pointed out, the cost to the U. Government of its relations abroad was minut Congressional interest, therefore, was confin merely to the budget of the State Department an as far as the Senate in particular was concerne,

to the treaties concluded by the executive branch. As a matter of fact it was extremely difficult in those days to generate any interest in Congress, particularly in the House of Representatives, in our foreign relations.

This has radically changed. Now Congress is called upon annually to appropriate vast sums of money for the implementation of the assistance part of our foreign policy. Its Members quite properly have an acute and profound interest in the purposes for which these moneys are to be appropriated and the manner in which they are to be spent for their achievement. No program therefore of foreign assistance can have any hope of coming into being unless it can engage the support of the Congress as representatives of the people. As a result, during the period when these programs are being presented to Congress, hardly a day goes by in Washington that a senior official of either the Defense or State Department does not appear to testify before one of these committees. The very fact of increased congressional responsibility and involvement in the conduct of our foreign affairs has greatly increased congressional interest in the entire subject and has radically affected the relationships between the executive and legislative branches in the entire field of our foreign affairs.

In addition, the introduction of a large-scale foreign assistance program inevitably raises a whole host of new problems with the recipient country. In the first place, it is never possible to meet all the demands or needs of any of the recipient countries. Secondly, there is a tendency to be critical of our allocation of assistance as between countries. Certain countries feel that they have greater claims than others on the United States. Often they feel that they have been "taken for granted" or neglected in the quantity of American assistance offered to them compared with that given to others. This of course is inevitable, but I am sure you would agree with me that it would be quite impossible to allow our foreign assistance programs to be determined on the basis of such claims.

The only criteria that seem to us to be sound for the allocation of our aid are those of need, and the ability of the recipient effectively to utilize the aid given, and above all the relationship of any such program to the security and economic health of the free world as a whole. To base it on other criteria would involve us in a program of international bribery and reward. What we seek is results, and while political considerations of course play a part in the determination of the allocation of our foreign aid, we have not sought to dictate to any country how it should conduct its foreign or domestic policies. Indeed we have sometimes been criticized, particularly in the Far East, for the extension of a very large portion of our aid to countries which have declared themselves neutralists. The reason is that it is more important to the United States that these countries remain independent, with the right of free choice, than that they express particular foreign policy views at any given period.

Foreign aid programs, of course, require trained and experienced personnel to carry them out, and the requirements of executing our programs have caused a great increase in the number of U.S. personnel serving overseas. The 6,200 Foreign Service employees of the State Department assigned abroad are now matched almost exactly by the number of ICA [International Cooperation Administration] employees and U.S. citizens under contract assigned to carry out our foreign aid programs. At many posts in less developed areas ICA personnel far outnumber those of the Foreign Service. An increase of this magnitude in the number of resident Americans inevitably gives rise to new problems and therefore new difficulties in the day-to-day conduct of our foreign relations.

The Mutual Security Program for Fiscal 1961

To bring this question now more up to date, I would like to mention briefly how we envisage the application of U.S. aid at the present time. The Mutual Security Act for fiscal 1961 asks for a total of $4.175 billion divided into $2 billion military assistance and the balance for economic aid. Under the heading of economic aid is included $724 million in defense support, $268 million in special assistance, $206 million in technical assistance, and $700 million for the Development Loan Fund. In addition the United States continues to be the chief contributor and supporter of assistance through the international bodies such as the World Bank, the International Monetary Fund, and, of particular interest to this audience, the U.N.

Initially the U.S. Government decided that the

bulk of its aid, military and economic, would be handled on a bilateral basis. But we have never at any time neglected our obligations or support of the U.N. or any of its specialized agencies. Since its founding in 1945 the United States has contributed to the U.N., its specialized agencies, and voluntary programs $2.6 billion, of which $280 million has gone to the organization in which you are particularly interested, UNICEF [United Nations Children's Fund]. We have also contributed $225 million to the Expanded Technical Assistance Program, $106 million to the World Health Organization, and $376 million to the United Nations Relief and Works Agency for Palestine Refugees in the Near East.

During the period when the United States was not only the major contributor to foreign aid in the free world but virtually the sole source of such assistance, it was understandable that the Congress and the Government of the United States would find it necessary to exercise a degree of purely American control and supervision over the aid thus rendered. This was devised not for the purpose of promoting a specific American business or other interest but rather for the purpose of assuring that the money contributed by the American taxpayer would be expended for the purposes indicated and would not be frittered away or diverted to other ends.

We are now entering a period when some of our allies and associates, particularly in Western Europe, having recovered their economic health, are in a position to share with us at least a part of the burden. We have every expectation that this will come about, and indeed there has already been tangible evidence to this effect. Therefore, when we look to the future of foreign assistance, though recognizing that this responsibility will continue to be a major one for the United States, we can also envisage the prospect of greater contributions from other countries and the consequent greater use of multilateral agencies for the execution of this aid than has been possible in the past.

I have mentioned the World Bank and International Monetary Fund, with which the U.S. has worked in the closest cooperation ever since their founding. Recently representatives of this Government have returned from Central America, where organizational arrangements were agreed upon by the Inter-American Development Bank.[4] On February 18 the President submitted to Congress the articles of agreement for the establishment of the International Development Association[5] designed to assist the less developed countries of the free world by increasing the flow of development capital on flexible terms. The Association, which is expected to be established before the end of the year, is a cooperative venture to be financed by the member governments of the World Bank and to have initial subscriptions totaling $1 billion. The U.S. and the economically strong countries would subscribe about 70 percent of this amount in freely convertible currencies, while the developing countries would subscribe the balance, of which 10 percent would be freely convertible. As the President remarked, the IDA will perform a valuable service in promoting the economic growth and cohesion of the free world.

I am well aware of the criticisms which from time to time have been directed against these foreign aid programs. I should like to say here that I feel the popular term "foreign aid" is unfortunate in that it carries with it the connotation that only the foreign recipient benefits. This is not true. While the benefits to the United States certainly in those portions of the program which would involve grant aid, cannot be calculated in dollars and cents, nevertheless their value in intangibles of security and well-being far transcend the cost to us all. Had the United States recoiled from the challenge and responsibility that its position in the world has placed upon us and at the end of the war had refrained from this aspect of our foreign policy, we would be confronting unimaginable dangers and increased cost to our taxpayers for our national defense and our economic well-being. These added costs would many times transcend the cost of the programs themselves. Even in terms of the actual outlay, they do not represent an unduly severe burden on the American economy. The present Mutual Security Act plus the contributions to the U.N. and its specialized agencies, accounts for hardly 5 percent of the total Federal budget and, with a gross national product estimated to reach $500 billion in 1960, less than 1 percent of our national income.

[4] *Ibid.*, Feb. 29, 1960, p. 344, and Mar. 14, 1960, p. 427.
[5] *Ibid.*, Mar. 14, 1960, p. 422.

I might also add that, contrary to popular belief, the economic advancement of less developed countries will in the long run be a benefit to the type of economy such as ours. In its initial stages substantial expenditures on our part may be involved, but in the end, if these programs are successful and if some of the countries assisted reach a self-sustaining posture, they will be much more flexible partners for trade with the United States, both as sources of supply for basic raw materials and as markets for U.S. goods. This consideration nonetheless remains secondary compared to the harmful effect on world stability and security which failure to assist them would produce.

I would, therefore, like to terminate this very brief account of some aspects of our foreign assistance programs by stating to you that a country placed by history in a position of responsibility cannot fail to meet its destiny without dire consequences to itself. We are entering a period of sustained struggle to determine what kind of world the second half of the 20th century will see. To sacrifice now for the sake of the future is surely one of the hallmarks of a country's greatness.

U.S. Citizens Notified To Claim Frozen Accounts in Cuban Banks

Press release 115 dated March 10

American citizens whose bank accounts were frozen in Cuban banks by the Ministry of Recovery of Misappropriated Property are informed of Cuban Resolution No. 2841 published in the Cuban Official Gazette No. 40, February 29, 1960. This resolution provides a 15-day period which ends March 18, 1960, during which account holders are to claim their accounts or take steps to clarify any charge of complicity with the former Cuban Government. Failure to do so will mean loss of the account. The resolution further provides that claims are to be presented personally or through an attorney in fact to the Ministerio de Recuperación de Bienes Malversados, Comisión Bancaria. The bank accounts under consideration are entirely distinct from the accounts of foreigners which were frozen by Law 568 on September 24, 1959, and which are subject to review by the Monetary Stabilization Fund.

Grand Jury Investigating Ocean Shipping Practices

Press release 119 dated March 11

The Department of State has received notes[1] from a number of the governments whose steamship lines and conferences are involved in a Federal grand jury investigation of ocean shipping practices of a large number of U.S. and foreign companies.[2] Since many of the questions raised in these notes were related primarily to enforcement of the antitrust laws, the Department, in cooperation with the Antitrust Division, Department of Justice, arranged for a general meeting on March 11, 1960, with the various interested embassies.

The purpose of this meeting was to answer these questions and, in addition, to explain the background and nature of the grand jury investigation.

Congressional Documents Relating to Foreign Policy

86th Congress, 2d Session

Mutual Security Program. Message from the President relative to the Mutual Security Program. H. Doc. 343. February 16, 1960. 9 pp.

Study of International Activities of Federal Executive Branch Departments and Agencies in the Field of Health and Medical Research. Report to accompany S. Res. 255. S. Rept. 1089. February 17, 1960. 10 pp.

Foreign Investment Incentive Tax Act of 1960. Report of the House Ways and Means Committee to accompany H.R. 5, a bill to amend the Internal Revenue Code of 1954 to encourage private investment abroad and thereby promote American industry and reduce Government expenditures for foreign economic assistance. H. Rept. 1282. February 19, 1960. 82 pp.

Temporary Suspension of Duty on Certain Alumina and Bauxite. Report to accompany H.R. 9307. H. Rept. 1286. February 22, 1960. 4 pp.

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[1] Not printed.

[2] In November 1959 the Department of Justice commenced a grand jury investigation of alleged restrictive practices by shipping conferences. Subsequently subpenas *duces tecum* were issued to a large number of U.S. and foreign steamship lines, agencies, and conferences calling for production of documents relating to rates and a wide variety of other matters, whether such material is presently located within or outside the United States. Motions to quash these subpenas are presently pending before the U.S. District Court for the District of Columbia.

U.S. Interest in Africa and Our Economic Aid Programs

Statement by Christopher H. Phillips [1]

As the Observer of the United States, I have come here primarily to listen and to learn. However, in view of the real and growing interest of the United States in Africa and especially in the important work of this newest of the four regional economic commissions, I have asked for a few minutes to make several brief observations, within the context of the Commission's work.

Two years ago I had the privilege, as United States Representative on the Economic and Social Council, of participating in the establishment of the Economic Commission for Africa. In doing so the United States was motivated by the conviction that the Economic Commission would make a substantial contribution to the economic development and well-being of nations and peoples of Africa. I am particularly pleased now to have the privilege of visiting this great continent and meeting with so many of its distinguished leaders. It has been a source of great satisfaction to me and my Government that these last 2 years have witnessed a political evolution which has been so much in accord with the aspirations of the African peoples.

I believe our record makes it clear that the United States stands behind the interests and aspirations of peoples in all areas of the world who are striving for a better life in freedom. We have a special interest in Africa; 1 out of every 10 Americans is of African descent. Part of the brain, the muscle, and the heart of the United States, they are exemplified by such leaders as the distinguished Under Secretary of the United Nations, Mr. Ralph Bunche, who with the Secretary-General attended the opening of this session at the conclusion of their series of visits in Africa.

Since the establishment of the Commission, the interest of the United States in Africa has become even more pronounced. President Eisenhower recently had the opportunity to visit this continent.[2] Not long ago Vice President Nixon learned at first hand of the problems and aspirations of the people of Africa.[3] A few weeks ago Ambassador [Henry Cabot] Lodge represented the President at the celebration of Cameroun's independence and at the inauguration of President Tubman in Liberia. One has only to look at our press and magazines to see how much more attention the American people are devoting to Africa and its people.

U.S. Assistance to African Economic Development

Of particular relevance to the work of the Commission, the United States has initiated or participated in a variety of programs to assist African economic development. Our bilateral assistance to African countries has increased more than 65 percent since the Economic Commission for Africa was established, and, as the *Economic Survey of Africa Since 1950* [4] notes, the United States has provided nearly $800 million to Africa in grants and long-term loans. Some 650 United States technicians are now cooperating with African governments furthering economic and social development, and 1,700 students from Africa are this year attending our schools and colleges.

A few weeks ago in Paris a Special Economic Committee met [5] to discuss a problem of great importance to all of us. Its purpose, as described by Under Secretary of State Dillon, was to find the most effective manner of marshaling the total economic resources of the free world to provide inves-

[1] Made on Feb. 1 before the second session of the Economic Commission for Africa, which was held at Tangier, Morocco, Jan. 26–Feb. 6. Mr. Phillips is the U.S. Representative on the U.N. Economic and Social Council; he was the U.S. Observer at the session.

[2] For background, see BULLETIN of Jan. 11, 1960, p. [illegible]

[3] For background, see *ibid.*, Apr. 22, 1957, p. 635.

[4] U.N. doc. E/CN. 14/28 (1959. 11. K. 1).

[5] For background, see BULLETIN of Feb. 1, 1960, p. 139.

ments, loans, and assistance to the less developed countries in ways which will make the maximum contribution to their economies. We are hopeful that this year will witness important progress on this problem which is of such great mutual interest for us all.

Direct private investment from the United States is responding to the growing investment opportunities in Africa and has quadrupled during the past decade. President Eisenhower in his annual budget message to Congress a few days ago[6] proposed that United States taxation on income earned in the less developed areas by American private enterprise should be deferred until repatriated as an incentive on our part for American private investment. No doubt this investment will grow substantially, particularly if, as the distinguished representative of Ghana observed, countries provide adequate incentives to attract capital. American private capital will go where it is welcome but clearly will not go where it is not welcome.

Concerning world trade, I wish to assure you that the United States is most conscious of its responsibilities as a major purchaser of the world's exports and intends to do all in its power to keep trade flowing and expanding throughout the world to the mutual benefit of all.

African Attitude Toward Economic Aid

Having made these remarks about trade, private investment, and direct United States assistance in Africa, I would like to comment on what appears to me to be a significant African attitude toward economic aid. The people of Africa, it seems to me, want to strike out on their own. They are skeptical of any foreign help which looks to them to be given purely for selfish nationalistic or ideological motives. I believe that is why there is a growing tendency to turn to the United Nations for help. Therefore, the activities of the various United Nations and specialized agencies programs are bound to assume increasing importance in many African countries.

Together with other industrialized countries, the United States has from the outset been one of the foremost supporters of United Nations activities in the economic and social field. For example, 10 years ago we took the initiative to establish the United Nations Expanded Program of Technical Assistance and more recently the Special Fund. We have pledged 40 percent of the total contributions to those two programs. The United States has also been one of the strongest supporters of the United Nations Children's Fund and provides about half of the total contributions to UNICEF. Moreover, we have long been active participants in the International Bank for Reconstruction and Development and the other specialized agencies of the United Nations. Recently the United States proposed the establishment of an International Development Association, which will make loans for development projects that cannot be financed under International Bank standards and criteria. Incidentally, yesterday in Washington the World Bank announced that the articles of agreement of the International Development Association are now ready for acceptance.[7] The text is now being submitted to the 68 member governments of the World Bank. The Association will come into being when governments whose subscriptions aggregate at least 65 percent of the total initial subscriptions of $1 billion have accepted membership. This is expected to occur before the end of the year. We believe that this new international lending institution will play an important role in African economic development.

With regard to all United Nations activities, our financial contributions have been substantial, but they would be larger if some other members in a position to do so were prepared to increase theirs. As a matter of principle, the United States restricts its contribution to less than 50 percent of the totals involved to assure that United Nations activities are truly multilateral. Although bilateral aid will continue to be of great importance, I see in expanded United Nations activities a source of assistance of growing importance to the economic and social development of Africa which is particularly responsive to African attitudes and needs.

Confidence in Africa's Future

The United States has great confidence in the future of Africa. Perhaps this is because we ourselves, on becoming independent, were an undeveloped country of only 3 million people. And

[6] For excerpts, see *ibid.*, Feb. 8, 1960, p. 202.

[7] *Ibid.*, Feb. 29, 1960, p. 345; for text of the President's letter transmitting the articles of agreement to the Congress, see *ibid.*, Mar. 14, 1960, p. 422.

of course we do not forget that it was private foreign investment from Europe which played such a major role in our development. Throughout our history we have held uppermost in our minds the same goals that inspire most African leaders today—protection of our national and individual freedom, protection of the general welfare, and respect for the dignity and rights of each citizen. These goals have always been more important to us than material progress. The encouraging thing is that in pursuing these goals we have not had to sacrifice material welfare. On the contrary, free men have demonstrated their ability to move forward with unprecedented rapidity in economic development and to new heights of individual well-being. We do not expect that the African countries will develop according to any American pattern; each has its own personality and its own characteristics. But the expressed convictions of African leaders reinforce our own belief that African development will be based on the same principles of freedom.

In conclusion, Mr. Chairman, I want to express my pleasure at the very high standard of representation and activity which I have been privileged to witness here. With the continuation of this high standard, bolstered by the excellent work of the Commission secretariat under the distinguished leadership of its Executive Secretary, Mr. Mekki Abbas, the Economic Commission for Africa can look forward to a bright future. Although it is not a member, the United States Government will do its utmost to assist the Commission in its work, which we consider of transcendent importance for Africa and its people.

United States Delegations to International Conferences

Second U.N. Conference on the Law of the Sea

The Department of State announced on March 11 (press release 118) that President Eisenhower has appointed Arthur H. Dean as chairman of the U.S. delegation, with the personal rank of Ambassador, to the second U.N. Conference on the Law of the Sea, which will convene at Geneva March 17. Mr. Dean also served as chairman of the U.S. delegation to the first U.N. Conference on the Law of the Sea, which was held at Geneva February 24–April 28, 1958.[1]

Arthur L. Richards, Special Assistant to the Under Secretary for Law of the Sea, will serve as vice chairman to Mr. Dean.

The Department also announced that President Eisenhower has designated Edward T. Miller former Member of the House of Representatives as alternate U.S. representative and as an additional vice chairman of the delegation.

The Congress has been asked to designate two congressional advisers. It is expected that these names will be announced at a later date.

Other members of the delegation include:

Alternate U.S. Representatives

Vice Adm. Oswald S. Colclough, USN (retired), Department of the Navy
William C. Herrington, Special Assistant to the Under Secretary for Fisheries and Wildlife, Department of State
Arnie J. Suomela, Commissioner of Fish and Wildlife, Department of the Interior
David W. Wainhouse, Minister-Counselor, American Embassy, Vienna
Raymund T. Yingling, Assistant Legal Adviser, Department of State

Advisers

Norman Armour, Jr., U.S. Mission to the United Nations
Frank Boas, attorney, Brussels, Belgium
Wilbert M. Chapman, Natural Resources Committee, San Diego, Calif.
Ralph N. Clough, First Secretary, American Embassy, London
George J. Feldman, attorney, New York, N.Y.
Capt. Leonard Hardy, USN, Department of the Navy
Capt. Wilfred A. Hearn, USN, Department of the Navy
Lt. Comdr. Harold Hoag, USN, Department of the Navy
Nat B. King, American Consul General, Dacca, Pakistan
Harold E. Lokken, manager, Fishing Vessel Owners Association, Seattle, Wash.
John Lyman, National Science Foundation
William R. Neblett, executive director, National Shrine Congress, Key West, Fla.
Charles H. Owsley, Deputy U.S. Representative at the European Office of the United Nations and Other International Organizations, Geneva, Switzerland
G. Etzel Pearcy, Geographer, Department of State
Thomas D. Rice, executive secretary, Massachusetts Fisheries Association, Inc., Boston, Mass.
Peter Roberts, Consul, American Consulate General, Seville, Spain

[1] For a statement made by Mr. Dean on Mar. 11, see BULLETIN of Apr. 7, 1958, p. 574; for Mr. Dean's closing statement on Apr. 28, together with texts of the conventions, protocol, and resolutions adopted by the conference, see *ibid.*, June 30, 1958, p. 1110.

Harry Shooshan, Office of the Secretary, Department of the Interior

George H. Steele, director, Fishery Products Division, National Canners Association, Washington, D.C.

Fred E. Taylor, Office of the Special Assistant to the Under Secretary for Fisheries and Wildlife, Department of State

William Terry, Fish and Wildlife Service, Department of the Interior

William Witman II, First Secretary, American Embassy, Paris

Edward E. Wright, Office of the Special Assistant to the Under Secretary for Law of the Sea, Department of State

Secretary of Delegation

Virgil L. Moore, Resident U.S. Delegation to International Organizations, Geneva, Switzerland

Technical Secretary

Ernest L. Kerley, Office of the Assistant Legal Adviser for United Nations Affairs, Department of State

The conference will undertake to resolve the two highly important problems left unsolved by the 1958 conference: the breadth of the territorial sea and fishery limits. It is expected that representatives from most of the 89 countries which have been invited to participate will attend.

Current U.N. Documents: A Selected Bibliography [1]

Economic and Social Council

Economic Commission for Asia and the Far East. Report of the Inland Transport and Communications Committee (Eighth Session) to the Commission (Sixteenth Session). E/CN.11/511. December 28, 1959. 50 pp.

Economic Commission for Asia and the Far East. Activities in the Field of Statistics: Report of the First Working Group of Experts—Subject: Sampling Methods. E/CN.11/517. December 31, 1959. 52 pp.

Economic Commission for Asia and the Far East. Activities in the Field of Statistics: Report of the Second Working Group of Experts—Subject: Capital Formation. E/CN.11/518. December 31, 1959. 49 pp.

Economic Commission for Asia and the Far East. Information Paper on Technical Assistance Provided to Countries and Territories of the ECAFE Region Under the Expanded and Regular Programmes. Prepared by the TAB secretariat for the 16th session of ECAFE. E./CN.11/520. January 4, 1960. 23 pp.

Commission on the Status of Women. Implementation of the Convention on the Political Rights of Women by the States Parties Thereto. Memorandum by the Secretary-General. E/CN.6/360. January 11, 1960. 12 pp.

Economic Commission for Asia and the Far East. Report of the Committee for Co-ordination of Investigations of the Lower Mekong Basin, March 1959–January 1960. E/CN.11/513. January 11, 1960. 13 pp.

Commission on the Status of Women. Access of Girls and Women to Education Outside the School. Report prepared by UNESCO. E/CN.6/361. January 14, 1960. 97 pp.

Commission on the Status of Women. Report of the Representative of the Commission on the Status of Women at the Fifteenth Session of the Commission on Human Rights. E/CN.6/362. January 19, 1960. 2 pp.

[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

TREATY INFORMATION

Current Actions

MULTILATERAL

Automotive Traffic

Convention on road traffic and annexes. Done at Geneva September 19, 1949. Entered into force March 26, 1952. TIAS 2487.
Notification by United Kingdom of application to: Zanzibar, February 8, 1960.

Aviation

International air services transit agreement. Done at Chicago December 7, 1944. Entered into force for the United States February 8, 1945. 59 Stat. 1693.
Notification that it considers itself a party: Federation of Malaya, February 11, 1960.[1]

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.
Ratification deposited: Yugoslavia, March 9, 1960.

Shipping

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044.
Notification by United Kingdom of associate membership of: Federation of Nigeria, January 19, 1960.

Telecommunication

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1952 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960. TIAS 4390.
Notification of approval: Argentina, January 25, 1960.

Trade and Commerce

International convention to facilitate the importation of commercial samples and advertising material. Done at Geneva November 7, 1952. Entered into force November 30, 1955. TIAS 3920.
Accession deposited: Poland, February 18, 1960.

United Nations

Constitution of the United Nations Educational, Scien-

[1] The Malayan note states that "the Federation of Malaya considers itself a party as from 31st May, 1945," the date of acceptance by the United Kingdom which included all territories.

tific and Cultural Organization. Done at London November 16, 1945. Entered into force November 4, 1946. TIAS 1580.
Signature: Guinea, February 2, 1960.[2]

BILATERAL

Brazil

Agreement amending the military advisory mission agreement of July 29, 1948, as amended and extended (TIAS 2970, 3330, 3659, and 4139). Effected by exchange of notes at Rio de Janeiro June 9 and 17, 1959. Entered into force June 17, 1959.

Agreement for the loan of two United States destroyers to Brazil. Effected by exchange of notes at Rio de Janeiro September 18 and October 19, 1959. Entered into force October 19, 1959.

Ecuador

Agreement relating to a cooperative program in Ecuador for the observation and tracking of satellites and space vehicles. Signed at Quito February 24, 1960. Entered into force February 24, 1960.

Japan

Agreement providing for the reallocation of certain Japanese yen accruing to the United States under the agricultural commodities agreements of May 31, 1955, as amended (TIAS 3284 and 3579), and February 10, 1956 (TIAS 3580). Effected by exchange of notes at Tokyo February 18, 1960. Entered into force February 18, 1960.

Korea

Agreement relating to investment guaranties authorized by section 413(b)(4) of the Mutual Security Act of 1954, as amended (68 Stat. 847; 22 U.S.C. 1933). Effected by exchange of notes at Seoul February 19, 1960. Entered into force February 19, 1960.

Pakistan

Agreement supplementing the agricultural commodities agreement of November 26, 1958, as supplemented and amended (TIAS 4137, 4257, 4331, and 4353), with exchange of notes. Signed at Dacca January 28, 1960. Entered into force January 28, 1960.

Peru

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1701–1709), with exchanges of notes. Signed at Lima February 12, 1960. Entered into force February 12, 1960.

Agreement extending the agreement of April 17, 1957, as extended (TIAS 3823 and 4163), for the establishment and operation of a rawinsonde observation station at Lima. Effected by exchange of notes at Lima December 30, 1959, and February 18, 1960. Entered into force February 18, 1960.

Philippines

Air transport agreement, with annex. Signed at Manila November 16, 1946. Entered into force November 16, 1946. Amendment of section "B" of annex by exchange of notes at Manila August 27, 1948. TIAS 1577 and 1844, respectively.
Terminated: March 3, 1960.[3]

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[2] The instrument of acceptance by Guinea having been deposited, the constitution entered into force for Guinea Feb. 2, 1960.

[3] Notice of intention to terminate given by the Philippines Mar. 3, 1959.

DEPARTMENT AND FOREIGN SERVICE

British Somaliland To Be Included in Mogadiscio Consular District

Effective February 24 British Somaliland was removed from the Aden consular district and included in the Mogadiscio consular district.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Surplus Agricultural Commodities. TIAS 4356. 4 pp. 5¢.
Agreement between the United States of America and Uruguay, supplementing agreement of February 20, 1958, as supplemented. Signed at Montevideo November 16, 1959. Entered into force November 16, 1959.

Double Taxation—Taxes on Income. TIAS 4360. 6 pp. 5¢.
Convention between the United States of America and Norway, modifying and supplementing convention of June 13, 1949. Signed at Oslo July 10, 1958. Entered into force October 21, 1959.

Emergency Flood Relief Assistance. TIAS 4361. 4 pp. 5¢.
Agreement between the United States of America and Japan. Exchange of notes—Dated at Tokyo November 12, 1959. Entered into force November 12, 1959.

Air Force Mission to Argentina. TIAS 4363. 5 pp. 5¢.
Agreement between the United States of America and Argentina, amending agreement of October 3, 1956. Exchange of notes—Signed at Buenos Aires October 16, 1959. Entered into force October 16, 1959.

Aerial Mapping of New Zealand Coastal Areas. TIAS 4364. 2 pp. 5¢.
Agreement between the United States of America and New Zealand. Exchange of notes—Dated at Washington October 30, 1959. Entered into force October 30, 1959.

Defense—Loan of Vessel to Italy. TIAS 4365. 5 pp. 5¢.
Agreement between the United States of America and Italy. Exchange of notes—Signed at Rome August 18, 1959. Entered into force August 18, 1959.

Surplus Property—Sale of Excess Military Property in Turkey. TIAS 4366. 5 pp. 10¢.
Agreement between the United States of America and Turkey. Exchange of notes—Signed at Ankara October 6 and November 13, 1959. Entered into force November 13, 1959.

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106	3/7	Bohlen: "Economic Assistance in U.S. Foreign Policy."
*107	3/7	Educational exchange (Afghanistan).
108	3/7	Merchant: dedication of Masaryk "Champion of Liberty" postage stamp.
*109	3/8	Cultural exchange (Uruguay).
110	3/9	Herter: news conference.
†111	3/9	Delegations to Development Assistance Group.
*112	3/9	Deputy Assistant Secretary White: statement on Great Lakes pilotage.
*113	3/10	Cultural exchange (U.S.S.R.).
*114	3/10	Cultural exchange (Far East).
115	3/10	Cuban Resolution No. 2841.
116	3/11	Western foreign ministers meeting.
†117	3/11	Rubottom: "The United States and Latin America: A Maturing Relationship."
118	3/11	Delegation to law of sea conference (rewrite).
119	3/11	Investigation of ocean-shipping practices.

*Not printed.
†Held for a later issue of the BULLETIN.

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THE MUTUAL SECURITY PROGRAM FISCAL YEAR 1961

A Summary Presentation

Proposed mutual security programs for fiscal year 1961 are outlined in this 125-page pamphlet prepared jointly by the Department of State, Department of Defense, International Cooperation Administration, and the Development Loan Fund. The booklet is a summary of the annual request for funds submitted to Congress for its consideration and includes the text of the President's message to Congress on the program.

Part I of the pamphlet reviews proposals for major aspects of the program, including military assistance, defense support, special assistance, the Development Loan Fund, technical cooperation, the contingency fund, and other programs. Part II discusses the program by regions. Part III deals with such related matters as free-world cooperation in assisting less developed areas, the surplus agricultural commodity program, stimulation of private investment in the less developed areas, and the impact of the Mutual Security Program on the U.S. economy.

The pamphlet is illustrated with charts, graphs, and photographs. Copies may be purchased from the Superintendent of Documents, U.S. Government Printing Office, for 55 cents each.

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Bulletin

Vol. XLII, No. 1084 April 4, 1960

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THE DEPARTMENT OF STATE

Bulletin

Vol. XLII, No. 1084 • Publication 6971

April 4, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 20, 1958).

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Five Powers Present Plan for General Disarmament as Ten-Nation Disarmament Conference Convenes

The Ten-Nation Disarmament Conference[1] *convened at Geneva, Switzerland, on March 15. Following is a working paper on general disarmament released on March 14 by Canada, France, Italy, the United Kingdom, and the United States, together with a statement made at the opening session on March 15 by Fredrick M. Eaton, U.S. Representative to the conference.*

FIVE-POWER WORKING PAPER

Press release 120 dated March 14

A. The ultimate goal is a secure, free, and peaceful world in which there shall be general disarmament under effective international control and agreed procedures for the settlement of disputes in accordance with the principles of the United Nations Charter.

B. The task of the Ten Nation Disarmament Conference should be to work out measures leading toward general disarmament, which can only be attained by balanced, phased, and safeguarded agreements.

C. All measures of disarmament must be observed and verified by an appropriate international organization.

I.

The following measures are proposed with the recommendation that they be undertaken forthwith:

A. The establishment of an International Disarmament Organization by progressive steps following a joint study of the composition and functions of such an organization and its relationship to the United Nations (taking into account previous experience in this field).

B. Prior notification to the International Disarmament Organization of proposed launchings of space vehicles and the establishment of cooperative arrangements for communicating to the International Disarmament Organization data obtained from available tracking facilities.

C. The collection of information on present force levels (active uniformed military manpower) and on armaments pertaining to land, sea, and air forces possessed by the various powers. The collection of information would be based mainly on declarations by States according to predetermined and mutually agreed criteria.

D. The coordinated reduction or limitation of force levels and conventional armaments upon the establishment of agreed arrangements and procedures for initial and continuing verification by the International Disarmament Organization as follows:

1. Initial force level ceilings to be:

2.5 million for the Soviet Union
2.5 million for the United States, and agreed appropriate force levels for certain other States.

2. Each State party to the agreement shall place in storage depots, within its own territories and under the supervision of the International Disarmament Organization agreed types and quantities of conventional armaments to be set forth in lists annexed to the agreement and bearing a relationship to the agreed force levels.

E. The submission by the various states to the International Disarmament Organization of data

[1] For background, see BULLETIN of Sept. 28, 1959, p. 438; for names of members of the U.S. delegation, see *Ibid.*, Mar. 21, 1960, p. 466.

relating to: the operation of their financial system as it affects military expenditures, the amount of their military expenditures, and the percentage of their gross national product earmarked for military expenditures. The data to be submitted will be drawn up in accordance with predetermined and mutually agreed criteria.

F. Joint studies will be undertaken immediately on the following subjects:

1. Measures to assure compliance with an agreement that no nation shall place into orbit or station in outer space weapons of mass destruction, including provision for on-site inspection.

2. Measures to assure compliance with an agreement on prior notification of missile launchings, according to predetermined and mutually agreed criteria, and on declarations to the International Disarmament Organization of locations of launching sites, and places of manufacture, of such missiles.

3. Measures to assure compliance with an agreement to discontinue the manufacture of fissionable materials for weapons purposes.

4. Arrangements required to carry out an agreement to transfer, under international supervision and control, fissionable material from past production to non-weapons uses, including stockpiling.

5. Measures to give participating States greater protection against surprise attack with effective verification procedures including aerial inspection, ground observers at agreed points, mobile ground teams, overlapping radar, notification of aircraft flights, and appropriate communications facilities and arrangements.

6. Measures to verify budgetary information submitted by the various states to the International Disarmament Organization.

7. Means of preventing aggression and preserving world peace and security, as national armaments are reduced, by an international organization, to be an organ of, or linked to, the United Nations.

8. Timing and manner of extending a disarmament agreement so as to include other States having significant military capabilities, with a view to the holding of a disarmament conference.

II.

The following measures will be undertaken as rapidly as possible upon successful completion of relevant preparatory studies outlined in I:

A. The prohibition against placing into orbit or stationing in outer space vehicles capable of mass destruction to be effective immediately after the installation and effective operation of an agreed control system to verify this measure.

B. Prior notification to the International Disarmament Organization of proposed launchings of missiles according to predetermined and mutually agreed criteria, and declarations of locations of launching sites, and places of manufacture of such missiles, with agreed verification including on-site inspection of launching sites of such missiles.

C. The cessation of production of fissionable materials for weapons purposes immediately after the installation and effective operation of an agreed control system to verify this measure, conditional upon satisfactory progress in the field of conventional disarmament.

D. Agreed quantities of fissionable materials from past production to be transferred under international supervision and control to non-weapons uses, including stockpiling, immediately upon the installation and effective operation of an agreed control system to verify the cessation of production of fissionable materials for weapons purposes.

E. Establishment of appropriate measures to give participating States greater protection against surprise attack, including aerial inspection, ground observers at agreed points, mobile ground teams, overlapping radar, notification of aircraft flights, and appropriate communications.

F. A disarmament conference with other States having significant military capabilities, called to consider their accession to the disarmament agreement, including their acceptance of appropriate reductions or limitations of their respective force levels and armaments.

G. Force level ceilings for all militarily significant States and appropriate inspection and verification measures to go into effect simultaneously with the establishment of force level ceilings of 2.1 million for the US and USSR. At the same time, each of the States participating shall agree to place in storage depots agreed types and quantities of armaments in agreed relation to the force level ceilings.

H. The establishment of measures to verify budgetary information.

I. Further progressive development of the International Disarmament Organization.

J. Initial establishment of the international organization to preserve world peace.

III.

The foregoing represent measures which should be negotiated and put into effect as rapidly as possible. Below are additional measures which are regarded as necessary for achieving the ultimate goal:

A. Reduction of national armed forces and armaments by progressive safeguarded steps (after such further joint studies as may be necessary) to levels required by internal security and fulfillment of obligations under the United Nations Charter to the end that no single nation or group of nations can effectively oppose enforcement of international law.

B. Measures toward this objective, phased to coincide with the build-up of international law enforcement capability to preserve world peace, and with the extension of the International Disarmament Organization to provide necessary inspection and control, will include:

1. Prohibition of production of nuclear, chemical, biological, and other weapons of mass destruction.

2. Further reduction of existing stocks of nuclear, chemical, biological and other weapons of mass destruction, further transfer of fissionable materials to peaceful use, and further steps, in the light of the latest scientific knowledge, to achieve the final elimination of these weapons.

3. Measures to ensure the use of outer space for peaceful purposes only.

4. Control of the production of agreed categories of military missiles and existing national stocks and their final elimination.

5. Establishment of effective international control over military budgets.

6. Completion of the establishment of international organizations and arrangements to preserve world peace.

7. Final reduction of military manpower and armaments to the levels required for the objective stated in para. A above, including the disposition of surplus armaments.

8. Control over the production of all remaining types of armaments to ensure that production is limited to that required for purposes specified in para. A.

STATEMENT BY MR. EATON, MARCH 15

Press release 126 dated March 15

I wish to express my thanks, and that of my Government, for the hospitality which is being afforded to us by the Federal Government of Switzerland, by this city, and by the Republic and Canton of Geneva. We are most grateful to the Secretary-General for the facilities made available by the United Nations. It is appropriate that this conference should convene in a country which for so long has been at peace with the world, whose people enjoy those freedoms which we hold sacred.

We share a heavy burden. We must, in the words of the foreign ministers of September last, explore through mutual consultation avenues of possible progress for agreements and recommendations on the limitation and reduction of all types of armaments and armed forces under effective international control.

We must patiently address ourselves to the task of designing a workable plan of general disarmament in a world in which man can live at peace with himself, where freedoms will flourish, secure from the fear of invasion by forces of oppression. A world of peace under law—this is the goal; disarmament, a means of achieving it.

There is throughout the world an all-pervasive yearning for security and peace. But peace, merely the absence of armed conflict, is not in itself sufficient. My country could have enjoyed such a peace during the last two wars. It chose, rather, to fight to preserve our freedoms.

These past wars and the fear of nuclear war tend to distort our values. We must be ever-mindful that a disarmed world is not necessarily a secure world—a world in which man's way of life shall be of his own choosing, where thought and action and expression shall be determined by each individual, limited only by those minimum restraints necessary for the preservation of those freedoms, a world in which the right of privacy is respected, in which the individual can pursue

his own life unhampered by the intervention of the state, a world which venerates the dignity of man.

President Emphasizes U.S. Desire for Progress on Disarmament

White House press release dated March 12

The White House on March 12 made public the following letter from the President to Fredrick M. Eaton, U.S. Representative to the Ten-Nation Disarmament Conference.

March 12, 1960

Dear Ambassador Eaton: The ten nations which will begin disarmament discussions at Geneva on March 15, 1960, have both the opportunity and a great responsibility to serve mankind. The interest of the United States in disarmament and my own strong personal feelings on this subject are well known. I want to take this opportunity to emphasize that the United States is prepared to explore every possible avenue to find a way toward general disarmament.

We must not be pessimistic because of the lack of success in past disarmament negotiations. Nor should we necessarily expect immediate, dramatic and far-reaching strides, although we would certainly welcome such progress. Rather, it should be our objective in these negotiations to contribute by carefully balanced, phased and safeguarded arms control agreements to the ultimate objective of a secure, free and peaceful world in which international disputes will be settled in accordance with the principles of the United Nations Charter.

As the United States Representative to the Ten-Nation Disarmament Conference, I know that you will exert every possible effort to reach agreement on measures which will lessen the danger of another armed conflict, ease the burden of armaments and thereby contribute to the attainment of the ultimate goal of general disarmament and a peaceful world. I should like you to convey to the other delegates at the Ten-Nation Disarmament Conference my earnest hope that the Conference will discharge its solemn obligation to mankind and thus contribute to this goal.

You may be assured that you carry with you my complete support and that of the people of the United States.

Sincerely,

Dwight D. Eisenhower

The Honorable Fredrick M. Eaton
U.S. Representative to the Ten-Nation Disarmament Conference
American Consulate
Geneva, Switzerland

Task of the Disarmament Committee

We must design a plan broad and promising in scope and yet realistic in conception, a plan which moves by measured, safeguarded steps toward an attainable goal, not one which raises false hopes of a sudden and easy solution to one of mankind's oldest problems—the problem of abolishing war among nations—but a plan which will bring to a halt this frightening race to create ever more massive means of destruction.

Existing forces and armaments must be gradually but surely reduced, under proper safeguards until no nation shall possess the power to destroy its neighbors.

Although we have a great distance to travel the initial steps must not be overly ambitious. For, until there is some greater degree of confidence and experience with arms control, only carefully measured first steps are feasible. From these can come some reduction in the tensions for which the world so anxiously awaits.

Effective verification will be required. This is a difficult problem—more difficult for some than others. It has been said that there must be no inspection without commensurate disarmament. Conversely the security of the world requires that there be no disarmament without commensurate inspection. We must patiently find our way through this difficulty. Our speed will be determined by the willingness of states to permit verification of fulfillment of their commitments.

We would only deceive ourselves and those millions who are hungering for peace, for relief from the horrors of a possible war, if we were to place our names on some grand but hollow design, some ambitious but unenforceable scheme, some unrealistically timed program of disarmament.

Initial Steps

Our most urgent task is, therefore, to sort out, define, and to agree on those initial steps which will bring increased security to each nation, steps which will provide the experience and evidence of performance that are essential to the more far-reaching measures to come.

We must determine those arrangements by which military forces can be limited and reduced.

We must arrange for reduction of armaments as forces are reduced.

We must find means to halt the uninhibited growth of nuclear stockpiles.

We must take immediate action to prevent the xtension of the arms race into outer space.

We must develop arrangements to afford greater rotection to all states against surprise attack and) lessen the danger of war by accident or iiscalculation.

We must agree on measures which will reduce he threat of missile attack.

We must establish an international disarmment organization to supervise and verify the erformance of these arrangements.

inal Measures To Attain Goal

When these first steps have been agreed, we ıould then proceed to design those final measures ecessary to attain the ultimate goal. National rmaments and forces should be radically reduced. 'he production of weapons of mass destruction hould be prohibited, and, so far as scientific nowledge makes verification feasible, we should ıove toward their final elimination. Offensive ilitary missiles should be brought under control) the end of their elimination from national rsenals.

As arms are reduced international arrangeıents must be strengthened for settling difficulties nong nations in accordance with the principles f the United Nations Charter. Certain uniersally accepted rules of law must be established, ıcked by a universally recognized international ourt. For, although in the time of those now ive general disarmament may be achieved, difrences among nations will remain. The call) arms has been the historic means of settling ch differences.

There must therefore come into being, as naonal armaments diminish, an international force ithin the framework of the United Nations to reserve the peace, a force to insure that seeds of nflict not mature to the point where small naons less endowed with the elements of national ower, or even large nations, would be threatened a more powerful and more highly organized ate.

The establishment of such a force will be aught with great difficulties. But how much ore difficult and unhappy the alternative, the ntinuing, mounting diversion of the efforts, ergies, and lives of men to the production of e means of their own self-destruction.

These problems affect not only the 10 nations sembled here in Geneva but all of the United Nations. Happily the world is not without a foundation on which to build such indispensable machinery. The United Nations Charter contains this mandate:

> To maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace . . . and to bring about . . . adjustment or settlement of international disputes or situations which might lead to a breach of the peace.

For the past 14 years the United Nations has been gathering valuable experience in these fields.

This Disarmament Committee, comprised of only 10 of the members of the United Nations, cannot finally decide upon matters relating to the improvement of the international peace-keeping machinery of the world community as a whole. It is, however, our task to help identify the kind of international machinery necessary for the settlement of disputes and for the safeguarding of the peace in a disarmed world.

With the reduction of expenditures for armaments ever-greater means can be devoted to human welfare and to the further development of those new and growing nations of the world which are so in need of assistance.

While we are engaged here and until, hopefully, the agreements which we shall set down are implemented, my country will continue to maintain the strength necessary to assure its security and to meet its commitments to the world. Past experience has taught us the tragic lesson that to relax prematurely, to permit an imbalance of military power, is not conducive to disarmament and to the just and secure peace which we seek.

Eternal vigilance is the price of liberty, our most precious possession. We shall not let our liberties erode, nor shall we bargain them away. We shall proceed carefully, lest in the course of our quest we lose those freedoms which we cherish more deeply than our lives.

The United States is conscious of its responsibility to the peoples of the world who share the common hope that in our day the course of events can be turned in the direction of peace. Those assembled here have the opportunity to contribute to the fulfillment of this hope. If each is faithful to this task, measures of far-reaching consequence can be taken toward attaining the goal of a secure, free, and peaceful world in which there shall be general disarmament under effective international control.

President Charles de Gaulle To Visit United States

The White House announced on March 15 that arrangements have been completed for the visit of Gen. Charles de Gaulle, President of the French Republic, President of the Community, who will visit the United States this spring at the invitation of President Eisenhower. President de Gaulle will be accompanied by Foreign Minister Couve de Murville.

President de Gaulle will visit Washington, D.C., April 22–26 and then will begin a tour that will include New York City, San Francisco, and New Orleans. He will leave New Orleans for French Guiana on April 29.

America's Debt to Greece

Address by Secretary Herter [1]

It is most gratifying to see around me the faces of so many of my friends and former colleagues in the Congress. On an occasion like this it is a little hard to believe that I have been away from the Hill at all.

It is indeed a pleasure to attend the national banquet of AHEPA, membership in whose Boston chapter I am proud to claim. Because I think of myself as one of you, I take this occasion to announce that I plan to make a visit to Athens within a few weeks. I expect to stop there on the fifth of May, following the NATO meeting in Istanbul.

Greece is a land of many beauties, created both by nature and by men. The genius of the Greek people is expressed not only in the monuments of their culture but also in their friendliness and charm. Not least in these endowments are their gracious and devoted King and Queen. I look forward to a pleasant and relaxing opportunity to renew my acquaintance with a beautiful country and with many good friends.

I am here tonight to acknowledge a debt. Not to pay it, because that is beyond my power, bu to acknowledge it and thereby give an indicatio of its nature and magnitude. The debt is the deb America owes to Greece. It is a debt of man aspects, intellectual, artistic, political, human. I is a debt not alone for knowledge and ideas bu above all for inspiration, for examples of excel lence, beauty, and courage.

The United States has been very much awar of its debt to Greece from its beginnings as republic, for the Greek tradition is the wellsprin of our own freedom. Thus we have sought wher we could to offer repayment. Since I happen t be a graduate of Harvard, I think particularly o the efforts of Edward Everett, a Harvard ma who like myself was an editor, a Congressman, Governor of Massachusetts, and United Stat Secretary of State. Edward Everett was for time professor of Greek literature at Harvar hence he enjoyed a full awareness of the glories that legacy. It was he who led the widesprea movement for American popular support Greece during her War of Independence. Fro 1821 to 1830 there were contributed from all ov this country clothing, medicine, and financial su port to relieve the suffering of the rebirth of fre dom in the ancient nation where freedom w born.

It would be an error, however, to think of Gre sacrifices in the cause of freedom only in ter of events a century or more past. The fierce a courageous dedication to freedom displayed by t Greek people during the Second World War a after it was both inspiring in itself and importa to the broader effort. Here again we sought help in what ways we could, in gratitude for t contribution in blood and gallantry being made the Greek people to our own security and freedo

Moreover in the time since then Greece h played and continues to play an essential role the strength of NATO as the shield of Euro Just as the size of a nation in area, population, resources does not necessarily determine the m nitude of its contribution to ideas and culture, the size of a member of an alliance does not itself give a measure of its value to the allian Interdependence creates an equality among pa ners which our Nation gladly and, may I s humbly acknowledges.

The contribution to the life and achieveme of this country by Americans of Greek descent

[1] Made before the 14th AHEPA (American Hellenic Educational Progressive Association) national banquet in honor of the U.S. Congress at Washington, D.C., on Mar. 20 (press release 140 dated Mar. 19).

like the contributions to freedom of Greece herself, not only a matter of the past but of the present and future. Two symbols of this are the presence with us tonight of a young member of Congress of Greek descent and the recent announcement of plans to found a Hellenic University of America.

And the ideas of the ancient Greeks, like the descendants of the ancient Greeks, have their contribution to make to events today. The Greek orator Isocrates, addressing the Olympiad of 380 B.C., said, "The name of the Greeks is a symbol not of who we are but of what we are. He who shares our culture is a Greek." Since the very essence of the culture to which Isocrates referred was political and intellectual freedom, his words apply today. He who shares the love of freedom, with all that freedom entails culturally and politically, is today not alone a Greek, nor an American, but a citizen in full standing of the community of the free. That is the animating spirit of NATO and of other associations for the defense of freedom. That must be the governing spirit of this country's relations with any nation which has freedom or hopes to gain it.

It is clear that this same spirit is reflected in the ideals and service of AHEPA. It seeks at once to promote the better understanding of true Hellenism and to encourage loyalty to the United States. It was founded by and for Americans of Greek descent, but its ranks include leaders in American life from many backgrounds. The causes served by AHEPA over the years have ranged from relief to victims of flood and hurricane in Florida, Mississippi, and Kansas City to war and disaster relief and health and educational support in Greece and other areas of the Middle East.

The annual AHEPA excursion, which sails for Greece tomorrow night, is a useful means of strengthening the bonds that exist between the citizens of the community of the free. President Eisenhower said last year that today the country needs more individual diplomats from Main Street traveling abroad as part-time ambassadors to help build understanding as a foundation for lasting peace.[2] I particularly congratulate AHEPA for the 25,000 volumes of American books collected by its chapters, which the excursion will take with it to give to the people of Greece. Even this impressive contribution is, of course, only a token repayment of the debt of culture the world owes to Greece. But it is an important token not only of gratitude but of bonds that remain strong.

So I offer all good wishes to the members of AHEPA at their 14th national banquet; I congratulate you on the usefulness and success of your program; and I urge you to continue, in the future as in the past, your contributions to Hellenism, to Americanism, and to the cause of freedom.

[2] For text of the President's remarks before the Third National Conference on Exchange of Persons, see BULLETIN of Feb. 23, 1959, p. 260.

Secretary Herter To Attend CENTO and NATO Meetings

Press release 131 dated March 17

The Department of State announced on March 17 that Secretary Herter will attend the Ministerial Council meeting of the Central Treaty Organization at Tehran April 28–30 and the spring Ministerial meeting of the North Atlantic Council at Istanbul May 2–4.

Secretary Herter will leave Washington on April 26 and arrive at Tehran on April 27. Following the CENTO meeting he will fly to Istanbul on April 30.

President and Chancellor Adenauer Hold Informal Talks

Following is the text of a joint statement issued on March 15 at the close of talks between President Eisenhower and Chancellor Konrad Adenauer of the Federal Republic of Germany. Chancellor Adenauer visited Washington March 15–17 en route to Japan.

White House press release dated March 15

The President and the Chancellor have had a pleasant and fruitful exchange of views on a number of subjects of mutual interest. Secretary of State Herter and German Foreign Minister von Brentano also participated in the conversation.

The talks were completely informal in nature and did not involve negotiations of any type. The participants believe that the exchange of views

which occurred has resulted in a further coordination of the positions of the two Governments on a number of common problems.

Among the subjects touched upon in the course of the conversation were the current disarmament discussions in Geneva, East-West relations in general, the problem of Germany including Berlin, and European economic integration.

The President and the Chancellor reaffirmed their determination to continue their efforts to achieve the reunification of Germany in peace and freedom. They further agreed that the preservation of the freedom of the people of West Berlin, and their right of self-determination, must underlie any future agreement affecting the city.

The Chancellor and the President discussed the general situation with regard to European economic integration. The President reiterated the support of the United States Government for the goals of the European Communities, and for a strengthening of Atlantic economic cooperation. They welcomed the prospect that the United States and Canada would soon join more closely with the European countries in a reconstituted Organization for European Economic Cooperation. In this connection, they discussed the recent trade proposals of the European Economic Commission. They noted that, should proposals along these lines be adopted, the result would be a major contribution to a general lowering of world trade barriers.

U.S. and Spain To Establish Project Mercury Tracking Station

The Department of State and the National Aeronautics and Space Administration announced on March 19 (press release 137) that the United States and Spain had announced on that date that the two nations have signed an agreement to cooperate in the establishment of a Project Mercury tracking station in the Canary Islands. The station will be one of the 16 located throughout the world which will comprise the Mercury tracking network.

The Canary Island facility will be used solely for nonmilitary scientific purposes. The Mercury program is a large step forward in the scientific effort directed toward future interplanetary travel and exploration of the solar system. The project is designed to put a manned satellite into a controlled orbit around the earth, return both man and vehicle safely, and investigate the capability of men to withstand the space environment. The overall program is under the direction of the National Aeronautics and Space Administration, the U.S. agency responsible for the peaceful applications of space research. At the Canary Islands facility the activities will be carried out in collaboration with the Instituto Nacional de Técnica Aeronáutica, technical agency of the Spanish Air Ministry.

The Mercury capsule will be launched into orbit from the southeastern coast of the United States by a powerful rocket. Current plans call for flights consisting of up to three complete orbits around the earth at altitudes between 100 and 150 miles. The space capsule and its astronaut will land in the Atlantic Ocean where ships will be waiting to recover it.

An indispensable part of the capsule recovery operation is the Mercury tracking network. Ground stations located around the world will keep an accurate record of the capsule's orbital flight path using radar. These stations will also receive telemetered scientific data on capsule performance and astronaut reactions. In addition, ground equipment will include communication links with the astronaut and facilities to command the capsule to reenter the atmosphere and land.

Results of this research project will be made available to the worldwide scientific community.

Tests are now underway to guarantee the reliability and safety of the rocket-satellite system before manned orbital flights are attempted. The seven young men who have been chosen to make the historic flights into space are now undergoing intensive training to prepare them for the scientific adventure.

The Canary Island station, like the others, will have the important responsibility of tracking the Mercury capsule in its area, gathering data telemetered from the capsule on the astronaut's physiological condition, performance of the life sustaining system within the capsule, and measurements on the capsule itself. The facility will be in direct contact with the astronaut by means of radio voice communication. The station will cost approximately $1,500,000, and construction is beginning this month.

The United States and Latin America, a Maturing Relationship

by R. R. Rubottom, Jr.
Assistant Secretary for Inter-American Affairs[1]

It is highly significant that this forum is emphasizing United States relations with Latin America. During the past few months no less than six conferences on this same vital subject have been held in regional centers crisscrossing our country. The capstone of this surging national interest was the visit of President Eisenhower to four countries in South America,[2] and it was my privilege to accompany him.

Search for Understanding

By this visit the President expressed our affection for and tie to all of the American Republics. He also dramatized our own unceasing search for the knowledge on which real understanding between the American peoples must be erected.

In Puerto Rico, speaking to the Caribbean Assembly on his return trip, the President remarked:

> I found, too, inescapable evidence that many in every country knew little of our record and more who misunderstand our purposes. But identically the same can be said of North Americans in their ignorance and misunderstanding of Latin America.

With these words the President has placed his finger on a sensitive area. That misunderstanding does exist, as he says, is an inescapable fact. Yet, with all that we share in history and destiny with the other peoples of our hemisphere, with all the intellectual curiosity that is born of the frontier origins we hold in common, with all the emphasis on advancement through education that we mutually cherish, surely there should be no room for ignorance and misunderstanding of each other.

The United States is actively seeking to overcome this problem. I can speak for the effort of the Government, but I'm convinced the same is true of informational media, business interests, labor groups, and cultural and educational sectors—all of us. One example of our own initiative in this direction was the appointment last November of the National Advisory Committee for Inter-American Affairs.[3] This Committee, which is chaired by the Secretary of State, with myself as vice chairman, is made up of distinguished U.S. citizens who have lived and worked in Latin America. They, of course, do not become involved in operational aspects of our relations with the other American Republics, but their advice and counsel is of great value to the Department. All six of the members, whose backgrounds include diplomacy, business, finance, education, cultural affairs, and labor organization, accompanied the President on his recent trip.

There is also encouraging evidence of the steps being taken by Latin Americans to find out more about us; witness the more than 10,000 students from that area being enrolled each year in our American universities. Yet both sides should strive harder for understanding.

Diversity and Commonality

But any approach to the subject of Latin America as a uniform entity would lead to miscalculation at the very outset. Speaking of Latin America means speaking of 20 separate entities. Each country has its own distinct character

[1] Address made before the Fourth Annual Institute on U.S. Foreign Policy at Milwaukee, Wis., on Mar. 12 (press release 117 dated Mar. 11).

[2] For background, see BULLETIN of Mar. 28, 1960, p. 471.

[3] For background, see *ibid.*, Dec. 7, 1959, p. 823, and Dec. 21, 1959, p. 904.

responding to its varied aspirations and needs, its own separate identity as to national origins and motives, and its own self-determination in the formulation of political and economic institutions.

Here perhaps we encounter one cause of misunderstanding. No two governments of the Americas are alike, even though there are great similarities. No two sets of jurisprudence are alike, though they are based largely on the Napoleonic code or the common law or both. No two electoral systems are alike, in spite of our common devotion to the right of the individual freely to choose those who would represent him in government. Our standards and our accomplishments, both as nations and as individual citizens, should be measured against our highly diverse backgrounds.

Yet, and this is one of the strengths of the inter-American way of life, we agree on certain immutable principles. We believe that the individual citizen should be able to live in freedom and dignity. We believe in the realm of law where government is the servant of man and where institutions cannot be uprooted by a tyrant's whim. We believe in representative democracy based on free elections, not in government imposed by threat or intimidation. While none of us has achieved perfection, we of the Americas can take pride in the steady progress being made toward a political way of life based on these principles.

Moreover, I would add this declaration of faith: The character of the future growth in the Americas will be harmonious with our almost universally held belief in God. This is our highest common denominator.

Nonintervention

At this point one might ask: "Does our common devotion to freedom with justice and democracy permit one nation to interfere in the affairs of another where such principles are judged to be violated?" The answer is clearly, "No." While the idealist and the pragmatist may never cease arguing this point, government representatives faced it once again at the Meeting of Consultation of Foreign Ministers in Santiago last August and again decided that the principle of nonintervention was clearly inviolable.[4] Clearly each nation must find its own political destiny without outside interference. This ban on intervention is just as applicable to forces from *outside* America as it is within. As the President expressed it in his report to the Nation:

> . . . if a tyrannical form of government were imposed upon any of the Americas from outside or with outside support—by force, threat, or subversion—we would certainly deem this to be a violation of the principle of nonintervention and would expect the Organization of American States, acting under pertinent solemn commitments, to take appropriate collective action.

Collective Security

A half century ago the view prevailed that the United States would undertake by itself to deal with threats to the hemisphere's security from abroad, and the Monroe Doctrine was advanced as the basis for such action. Today that doctrine has lost none of its validity insofar as telling outside forces, including those of international communism, to stay out of the Americas. However, the collective strength of the hemisphere now stands against any aggressor. We have proven multilateral machinery for dealing with emergency situations of common concern to the American Republics. For example, article 6 of the 1947 Rio Treaty provides, in part, that if the sovereignty or political independence of an American state should be affected by any fact or situation that might endanger the peace of America, the Organ of Consultation, i.e. the Council of the OAS or the foreign ministers themselves, shall meet immediately in order to agree on measures to be taken. This treaty has on several occasions been invoked and its instrumentalities brought into rapid action within a very short time, thus demonstrating the capacity of the OAS to act quickly in case of need. In addition, the charter of the OAS, signed in 1948, makes provision in article 39 for holding of meetings of consultation of foreign ministers for considering urgent problems of common interest to the American states. Then, the American governments at the 10th Inter-American Conference,[5] held in Caracas in 1954 directly condemned the activities of the international Communist movement "as constituting intervention in American affairs" and declared that the "domination or control of the political institutions of any American State by the inter-

[4] For a statement made by Secretary Herter at Santiago and text of the Declaration of Santiago de Chile, see *ibid.*, Sept. 7, 1959, p. 342.

[5] For background, see *ibid.*, Apr. 26, 1954, p. 634.

national communist movement" would constitute a danger requiring joint action in accordance with existing treaties.

Economic Progress

Uppermost in the minds of our Latin American neighbors is the question of how to achieve faster economic progress. They want to have a better way of life, in freedom. In all of the countries we visited, and elsewhere in the Americas as well, there are splendid human and material resources, although the natural wealth varies from country to country. Brazil is carving a completely new capital for itself at Brasília in the State of Goias, this effort symbolizing a national movement to take advantage of the vast interior frontier of this country, which is larger than the United States, excluding its 49th and 50th States. Argentina is carrying out a mighty effort, one which does honor to all of its citizens, to rebuild its national economy, which was almost completely decapitalized after the Peronist dictatorship. Chile is slowly but surely bringing under control the unbraked inflation which after 20 years carried the country to the brink of economic disaster. Uruguay, already hurt by reduced markets for its exports, nearly all agricultural, is striving to overcome the effects of a disastrous flood last year followed by drought.

Quite properly, in my opinion, heavy emphasis is being placed on obtaining the latest technical know-how. The United States is cooperating through its Government program of technical cooperation, through the splendid work of private industry, and through educational exchanges of all kinds. These efforts are helping to lay a solid foundation for faster growth.

But there is also an insistent demand for additional capital to speed the process. Great opportunity exists, as well as urgent need, to mobilize large amounts of domestic capital in the countries concerned to do the main task. However, the United States desires to help, within the limits of its capacities, and will not be found lacking. In fact, as the figures below will bear out, the greater the need for Latin America the greater is our desire to help, and this desire is already being translated into action. The capital of the Export-Import Bank has been increased from $5 billion to $7 billion. Our contributions to the World Bank and to the International Monetary Fund were increased last year as follows:

World Bank—an increase of 100 percent—$3,175 million;

IMF—an increase of 50 percent—$1,375 million.

The new Inter-American Development Bank should begin actual lending operations later this year, and its staff is now being organized under the direction of its newly chosen President, Don Felipe Herrera of Chile. Incidentally, the newly appointed Executive Director of the Bank, General Robert Cutler, was also in the President's party on the trip to South America.

The flow of new private investment from the United States, coupled with reinvestment of earnings, has averaged approximately $600 million per year for the last several years. The total is now over $9 billion. We hope that the opportunities for investment throughout Latin America will continue to attract private capital at an even faster pace, since local funds do not exist in the quantities necessary to fulfill the need. Private investment funds obviously will be attracted to countries where a favorable attitude prevails, as it does throughout most of the hemisphere. But we must take note of the fact that punitive action against foreign investments, especially expropriation without prompt, equitable, and effective compensation, is not likely to encourage the vital assistance that foreign investments can render.

In June of 1958 it was my privilege to deliver personally President Eisenhower's reply to President Kubitschek's letter which set in motion Operation Pan America.[6] This constructive idea for economic development is based on cooperation between the American states. President Eisenhower had an opportunity on his recent trip to discuss Operation Pan America directly with President Kubitschek. The United States is prepared to meet with the other members of the Committee of Nine [7] at a mutually convenient date

[6] For texts, see *ibid.*, June 30, 1958, p. 1090.

[7] The Committee of Nine, composed of Argentina, Brazil, Chile, Costa Rica, Cuba, Mexico, Peru, the United States, and Venezuela, was established by the Special Committee of the Council of the Organization of American States To Study the Formulation of New Measures for Economic Cooperation (Committee of 21) during its meeting at Buenos Aires Apr. 27–May 8, 1959. The main purpose of the Committee of Nine is to maintain contact with OAS Inter-American organs in connection with the progress of the Committee of 21 and to receive and give preliminary study to any new proposals in this regard which might be presented by governments.

to review the progress of the studies and other projects being carried out under this beneficial cooperative concept.

Trade and Common Markets

During our recent trip we also discussed our mutual interest in increasing trade, since this is a necessary ingredient to sound economic growth. The four countries visited by the President are members of the new Latin American Free Trade Association established in Montevideo only a month ago.[8] These seven member nations are to be congratulated for their forward step. We were assured that this regional trade group, an expression of the desire of all of Latin America for a common market, is designed to reduce barriers and increase trade, not to restrict trade. We were asked, in turn, about the impact of recent developments in Europe on trade in the Americas. We assured them of our common interest in expanded trade opportunities with the "Inner Six" and "Outer Seven" and explained that the visit of Under Secretary Dillon to several European capitals in January [9] had as its main purpose keeping trade doors open.

Arms Limitation

During our visit to Chile discussions centered on the constructive initiative of President Alessandri in proposing that the American Republics undertake to reduce arms expenditures. His proposal was immediately supported by President Prado of Peru and by President Eisenhower. Since then most of the other Latin American Governments have expressed approval of the Alessandri initiative. The reason is clear. Annual expenditures for Latin American armed services average as high as 20 to 25 percent of the respective national budgets and even higher in a few cases. Although definitive figures are difficult to obtain, it would appear that as much as $1.5 billion is being spent to maintain the armed forces of the Latin American countries. As reflected in the Alessandri proposal and other statements, there is a widespread feeling that this may be disproportionate in terms of the amounts needed for economic development, housing, education, and the well-being of the citizens of the countries. We are prepared to join with other governments in the type of study, examination, and action that would insure against impairment of economic development by unnecessary arms expenditures.

In order to clear up another misunderstanding regarding United States policies, let me say we do not encourage inordinate military budgets in Latin America. We do have agreements for hemisphere defense with 12 countries of this region, but, as is well known, the grant funds involved are relatively small. Of course, there have been several instances where governments, in exercise of their sovereign rights, have purchased military equipment elsewhere when the United States had turned down their requests. We hope that effective steps may soon be taken whereby the American Republics, defended by their common sense and common shield, the Rio Treaty, might reduce their heavy outlay of funds for armament.

Interdependence—a Mature Relationship

The conclusion to be drawn from the President's trip is that the American Republics are interdependent, sensitive to events in one another's country, and vitally involved in the process of solving each other's problems. Hemispheric cooperation is the natural outgrowth of interdependence; and, fortunately, the diversity that once would have made hemispheric cooperation unworkable is now re-formed into a mature relationship that views our separate identities as one of the sources of mutual strength. Within the framework of cooperation, the countries of the Americas should forge steadily ahead, even during this period of drastic change occasioned by rapid expansion of population and growing awareness of the individual as a factor in shaping the economic, social, and political destiny of his country. The United States will not be a bystander since we ourselves are equally involved in this era of change.

Our own security, and that of the other 20 Republics, is inextricably interwoven into the skein of events in the hemisphere. The preservation and perpetuation of the democratic way of life is our joint task. The United States may never have sought of its own free will to be the champion of human rights and individual freedom in

[8] The members of the Latin American Free Trade Association are Argentina, Bolivia, Brazil, Chile, Paraguay, Peru, and Uruguay.

[9] For background, see BULLETIN of Feb. 1, 1960, p. 139.

world where these essential elements are threatened, but we have shouldered the responsibility in the hope that we may continue to support others toward the goal of peace, freedom with justice, and well-being for all mankind.

U.S. and Brazil Review Progress on Operation Pan America

Horacio Lafer, Minister of Foreign Affairs of Brazil, made an informal visit to Washington March 18–20 at the invitation of Secretary Herter. Following is a joint communique released on March 19 at the conclusion of his talks with Secretary Herter, together with a list of the members of his party.

JOINT COMMUNIQUE, MARCH 19

Press release 139 dated March 19

The Minister for External Relations of Brazil, Mr. Horacio Lafer, and the Secretary of State, Christian A. Herter, continuing the talks which they had when the Secretary visited Brazil last February,[1] had a most cordial exchange of views March 18 and 19 on questions of common interest to their two Governments.

During these conversations, they reviewed the work which is going forward in the implementation of Operation Pan America[2] and expressed their conviction that these common undertakings will have important results for the Hemisphere.

Reference was made in this connection to several subjects which they considered of special importance, including commodity price problems, education and technical training, technological research and productivity studies, and assistance to agriculture, food supply and processing. The role of the newly created Inter-American Bank in financing Latin American development was likewise discussed.

Minister Lafer and Secretary Herter reiterated their keen interest in the economic surveys of several Latin American countries now being carried out by the Inter-American Economic and Social Council of the OAS and agreed on the desirability of an early meeting of the subcommittee of nine,[3] the conclusions and recommendations of which would be submitted to the Committee of 21, the special policy group established under Operation Pan America.

The Foreign Minister and the Secretary, mindful of the great benefits which have accrued to both countries from the friendly understanding and cooperation which characterize relations between Brazil and the United States, and the growing importance of this relationship in hemispheric and world affairs, consider that their conversations were especially fruitful.

MEMBERS OF OFFICIAL PARTY

The Department of State announced on March 17 (press release 132) that the following persons would accompany Foreign Minister Lafer.

Senhora Lafer
Walther Moreira Salles, Brazilian Ambassador to the United States
Senhora Moreira Salles
Gen. Nelson de Mello, Head of the Military Cabinet of the President
Saulo Ramos, Member of the Senate of Brazil
Raymundo Padilha, Chairman of the Foreign Relations Committee of the Chamber of Deputies
Celso Souza e Silva, Head of the Cabinet of the Minister of Foreign Relations
Wilson Aguiar, Head of the Press Department of the Minister of Foreign Relations
Paulo Tarso Flecha de Lima, Second Secretary

Ambassador Bonsal Returns to Post at Habana

Department Statement

Press release 134 dated March 18

Ambassador [Philip W.] Bonsal was called to Washington for consultations some weeks ago.[1] Charges had been made against the Ambassador by officials of the Cuban Government, and

[1] Secretary Herter accompanied President Eisenhower on a 2-week visit to South America Feb. 22–Mar. 7; for background, see BULLETIN of Mar. 28, 1960, p. 471.

[2] For background, see *ibid.*, June 30, 1958, p. 1090.

[3] See p. 521, footnote 7.

[1] For background, see BULLETIN of Feb. 15, 1960, p. 237, and Mar. 21, 1960, p. 440.

charges had been published in the newspaper *Revolución*, regarded as the official spokesman of the Cuban Government. The Cuban Government has conveyed assurances to our Government to the effect that it has no charges against the Ambassador and has informed us that opinions expressed in the newspaper *Revolución* are not to be considered as having an official character. In view of these assurances and of the importance which our Government, for its part, attaches to making every possible constructive contribution to the conduct of our relations with the Cuban Government, Ambassador Bonsal is being instructed to return to Habana at an early date.[2]

Mutual Aid Through the United Nations

by Henry Cabot Lodge
U.S. Representative to the United Nations[1]

It is seldom that I speak to an audience which knows as much about the United Nations as you do. You and I have certain experiences in common. We have watched the United Nations closely. We realize its limitations. We know that it lacks any of the powers of government and that it depends on the willingness of member states voluntarily to live up to the charter. But we are also aware that the United Nations is a unique and practical device, a great center of influence, and an extraordinary engine for mobilizing world opinion. For 14 years it has struggled with big events and has tried to bring to bear on those events the standards of conduct laid down in the charter.

The successes of the United Nations have also been successes for the United States. During my service as United States Representative in the last 7 of these 14 years, I have seen the security and peace of the United States served by many concrete United Nations accomplishments. For example:

• At the end of the Korean war the United Nations insisted on an honest peace conference and rejected the attempt of the Soviet Union to sit at the peace table in the guise of a benevolen "neutral."

• When the Communists were trying to subver the Monroe Doctrine and take over Guatemala the Security Council defeated their attempt t make the United Nations an accomplice—and th subversion failed.

• When Red China held back 15 American flier in a game of political blackmail, the Genera Assembly demanded their release—and that resc lution played a decisive part in bringing ther safely home.

• When the Suez crisis threatened to touch o a big war, the Assembly's resolutions for a ceas fire and withdrawal of forces were carried out an the United Nations Emergency Force was create and put into the field in a matter of days.

• When the Soviet Union tried to frighten th free world by complaining about America bomber flights over the Arctic, we proposed in th Security Council an Arctic "open sky" inspectic plan which got 10 votes in the Council and w vetoed by the Soviets—thus causing their prop ganda drive to collapse and proving our sinceri to the world.

• When the Communists were trying to tak over Laos last year, the Security Council scor a major breakthrough by sending a subcommitt to Laos which the Soviets could not veto an which helped to stabilize the situation at a critic moment.

[2] Ambassador Bonsal returned to Habana on Mar. 20.

[1] Address made at the Tenth Annual Conference of National Organizations called by the American Association for the United Nations at Washington, D.C., on Mar. 7 (U.S./U.N. press release 3367 dated Mar. 3).

The United Nations was useful to us in all those conflicts—none of which we started, but with all of which we had to deal. It has also been tremendously useful as a center of creative cooperation.

President Eisenhower's atoms-for-peace speech at the United Nations in 1953 resulted in the creation of the International Atomic Energy Agency, with the Soviet Union as a member.

In the same spirit we have created a United Nations Committee on the Peaceful Uses of Outer Space, which we hope will meet soon with the Soviet Union present for the first time.

Advantages of Multilateral Economic Aid

Now let me talk about the economic side, which has grown in urgency as the number of independent—and underdeveloped—states has increased.

There is the technical assistance program, begun in 1950, which has grown steadily in size and in effectiveness.

Then, to spur investment for economic development, we started the United Nations Special Fund, which, under the direction of Paul Hoffman, is carrying out indispensable preinvestment surveys and technical education in 50 countries.

This year we are founding a new International Development Association, which will be affiliated with the World Bank and will thus be a part of the United Nations family, with an initial capital of $1 billion.

The advantages of the multilateral way are clear, and I should like to list them:

1. In these programs our dollars are more than matched by the dollars put in by those countries which also contribute.

2. Then the countries which receive make further matching efforts of their own. Thus we get more for our money from both contributors and from recipients—sometimes as much as $7 for every dollar which the United States puts in.

3. The necessary experts are recruited not only from the United States but from scores of other countries. Well-qualified experts can often be obtained outside the United States at salaries half that which it costs to get an American expert.

4. These programs are so obviously insulated against political manipulation that they are welcomed in places where bilateral programs—however unjustifiably in our case—would be suspect. Thus there is less risk of having our purposes misunderstood and resented. Instead we get credit for helping an altruistic United Nations program.

5. It is also true that you get more for your money when the recipient nation feels that it is participating in the planning and carrying out of the program. This was proved time and again in the operation of the Marshall plan when the Organization for European Economic Cooperation formulated the plans which were then carried out by the members.

6. Nor should we lose sight of the fact that the United Nations can push a recipient government in a way that no sovereign government can ever push another. No consideration of prestige is involved, nor can the cry of "imperialism" or of "intervention" be raised when it is the gentle friendly pressure of the ever-helpful United Nations—particularly when the recipient nation itself is a member of the United Nations.

7. Decisions must be taken in operating any economic program which disappoint or displease. How much better it is for us not to be the ones who cause disappointment or displeasure and for this to be done by an international organization which is not a "foreign country."

8. There is another selfish reason, from the United States point of view, why reliance should be placed on an international method of operation. As Paul Hoffman recently said, "The countries of Western Europe, now fully recovered, are able to invest more in underdeveloped areas than they are now doing. Their gold and foreign exchange holdings, as well as their capacity to earn more, are increasing. The United States, on the other hand, is facing a continued deficit in its balance of payments, and its gold stocks are declining. It is clearly to our interest to spread the responsibility for investment in the underdeveloped areas and to induce other countries to make their maximum contribution." The way to do this is through the multilateral economic programs bearing the United Nations label.

9. Finally, because of the major part we play in these programs, we are fully protected against unsound use of the money. Some very intelligent and well-disposed people have not understood this fact.

Let me illustrate:

I have actually heard some persons say that our funds, when put into a multilateral United Na-

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tions program, would be subject to the Soviet veto—or that they would be subject to an adverse vote in the General Assembly. Nothing could be more wildly inaccurate and more totally impossible. In the World Bank and in the IDA, for example, voting is on a weighted basis, according to the capital subscribed. In the United Nations Special Fund the governing body is so constituted as to make impossible any action opposed by the nations of the free world. The same is true of United Nations technical assistance.

Now there are enough real complications in the world without manufacturing extra ones which do not exist. The influence of the United States and of the free world in all these multilateral programs is such that, while they cannot—and should not—be used to promote our special interests, it is absolutely impossible for them to be turned against us. They do, obviously, serve our long-range interest in a peaceful, more prosperous world.

For all these reasons it is in the United States interests to use the multilateral aid of the United Nations to the maximum, and I believe this will be done increasingly in the future.

It is significant that to date the Soviet Union has made only a token contribution to these United Nations aid programs. This is not good for humanity in general and for the underdeveloped countries in particular, because multilateral aid frees a weak underdeveloped country from the natural fear that it will become a battleground for politics between the superpowers. As long as the Soviet Union refuses to support these programs wholeheartedly it will be suspected of using its economic aid for selfish motives—for attaching "strings" to its aid.

Prime Minister Khrushchev said to the General Assembly last September that the United Nations has a duty to "contribute to the utmost to the economic advancement of the new states which are rising from the ruins of the colonial system, to help them speedily to develop their national economies." And he said that this must be done "without any political or other strings attached." But the Soviet Government has not yet carried out this policy.

If the Soviets should ever choose to compete, not for political advantage but for the honor of having done the most to help peoples who seek a better life, the United Nations offers them an unmatched way to do so. They could, if they chose, contribute many times more to United Nations technical assistance programs—and in convertible currency. They could even join the World Bank and the Monetary Fund and the International Development Association.

I do not expect them to do these things soon, but, until they do, the nations will inescapably judge for themselves whether Soviet aid is disinterested or not.

Growth in U.N. Membership

In the midst of all these events the United Nations has continued to grow. In fact, that growth—from 60 to 82 members—is the greatest single change in the United Nations in recent years. Still others will join this year, mostly from Africa. In another 10 years the Organization may well have 100 members. It seems as though everyone wants to get in and no one wants to get out.

Now there is no need to pretend that this growth in membership has not caused more work for the United States. There are more people whom one must try to persuade, and that means more work. More people are trying to persuade us. It is certainly harder now for any nation to muster a two-thirds majority in the General Assembly on a controversial question than it used to be. But this may not be a bad thing, because an organization as influential and as weighty as the United Nations should not express itself too glibly.

As we look ahead it seems certain that the United Nations will remain what diplomats call a "power fact," with which countries will have to cope whether they like it or not. There is certainly no reason for the United States to fear its growth. For us it is a priceless asset and an unceasing opportunity. Neither we nor any nation is so powerful that we do not need friends or that we can with impunity disregard world opinion. Indeed, as a wise Englishman wrote 50 years ago, the sheer power of a great nation will only "inspire universal jealousy and fear" unless its policy is designed "to harmonize with the general desires and ideals common to all mankind." Our United States policies have been successful because they do so harmonize.

The United Nations has always been important as a great center for that harmonizing. Now it is more so than ever. To an increasing number

of new nations membership in it is the greatest tangible proof to the world that they are now sovereign. That is the main reason why they attach such great importance to it. There is no better way for the United States to keep their confidence, and to prove that we ungrudgingly and wholeheartedly welcome their sovereignty, than for us to work with them through the United Nations.

Our foreign policy must have more than physical strength, vital though that is. It must also have great and magnanimous purposes, and it must find ways to express those purposes so that the peoples of the world will understand and welcome them. Economic cooperation through the United Nations is, preeminently, such a way. Indeed it can be one of the indispensable ingredients of peace on earth.

Views Invited on 1960 GATT Talks on Import Restrictions

Press release 125 dated March 15

DEPARTMENT ANNOUNCEMENT

The Committee for Reciprocity Information (CRI) on March 15 issued a notice inviting the public to submit views in connection with consultations scheduled during 1960 under the provisions of articles XII, XIV, and XVIII:B of the General Agreement on Tariffs and Trade (GATT). The consultations will be conducted by a panel of 13 countries, including the United States, at three different meetings in May, July, and October and will relate to the use of import restrictions for balance-of-payments reasons by the following countries:

May	*July*	*October*
Austria	Finland	Australia
Brazil	France	Burma
Denmark	Ghana	Ceylon
Greece	Israel	Chile
India	Norway	Indonesia
Malaya	Sweden	Japan
Uruguay	Turkey	New Zealand
	Yugoslavia	Pakistan
		Rhodesia and Nyasaland

The consultations will afford the opportunity for the panel to review the economic and financial situation of the consulting countries individually, to explore in this context the possibilities for further relaxation of their import restrictions, and to discuss moderation of particular policies and practices that have proved unduly burdensome to exporters in other countries.

Written statements concerning problems caused by import restrictions in the countries listed above should be submitted to the Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D.C. If the statements are to be useful in connection with the scheduled consultations, they should be received by April 15, 1960, for those countries consulting in May; May 15, 1960, for those countries consulting in July; and August 15, 1960, for those countries consulting in October. The statements should be as completely documented as possible and include specific details.

The CRI is an interagency group within the U.S. Government which receives views of interested persons regarding proposed or existing trade agreements and actions related to such agreements. It is prepared to receive at any time statements from the public regarding import restrictions imposed by any contracting party to the GATT. Where the countries involved are not scheduled for consultations, statements submitted in accordance with the instructions set forth at the end of the Committee's formal notice attached to this release will nevertheless be helpful in preparing for informal bilateral discussions conducted by the U.S. Government from time to time, as may be considered appropriate. This notice is intended to call attention specifically to scheduled consultations under GATT articles XII, XIV, and XVIII:B and sets forth in detail the types of information which American traders, business firms, labor organizations, and other interested individuals or associations may wish to submit.

NOTICE INVITING PUBLIC VIEWS

COMMITTEE FOR RECIPROCITY INFORMATION

CONSULTATIONS with certain contracting parties to the General Agreement on Tariffs and Trade regarding the application of quantitative import restrictions imposed for balance-of-payments reasons, under the provisions of Articles XII, and XVIII:B, and discrimination in the application of such restrictions under the provisions of Article XIV.

SUBMISSION of information to the Committee for Reciprocity Information regarding these consultations.

Closing Dates for submission of written statements: April 15, 1960, for May consultations; May 15, 1960, for July consultations; and August 15, 1960, for October consultations.

It is the intention of the Contracting Parties to the General Agreement on Tariffs and Trade to enter into consultation with certain of the parties regarding their application of quantitative import restrictions imposed for balance-of-payments reasons, under Articles XII, and XVIII:B of said Agreement, and regarding discrimination in the application of such restrictions under the provisions of Article XIV.

The consultation will be conducted separately with each consulting country during 1960 by a panel of thirteen countries, including the United States. The consulting countries and the expected timing of their consultations are as follows:

May	*July*	*October*
Austria	Finland	Australia
Brazil	France	Burma
Denmark	Ghana	Ceylon
Greece	Israel	Chile
India	Norway	Indonesia
Malaya	Sweden	Japan
Uruguay	Turkey	New Zealand
	Yugoslavia	Pakistan
		Rhodesia/ Nyasaland

During each consultation the Contracting Parties will have the opportunity (1) to review the country's financial and economic situation and (2) in this context to discuss the possibilities for further relaxation of the level of its import restrictions, a lessening of the discriminatory application of these restrictions, and the moderation of particular policies and practices which are especially burdensome to the exporters of other countries adhering to the General Agreement.

American traders, business firms, labor organizations and other individuals or associations which have an interest in exporting to one or more of the consulting countries may, as a result of their own experience, wish to submit information relating to (2) above which will be useful to the United States Government during the course of the consultations.

Representations to the Committee in response to this invitation might include the view, together with all available supporting information, that:

1. Quantitative import restrictions affecting goods available from the United States have resulted in unnecessary damage to the commercial or economic interest of the United States, its citizens or organizations;

2. Not even minimum commercial quantities of imports of specific commodities from the United States are permitted, to the impairment of regular channels of trade;

3. Trade is being restrained by complex or arbitrary licensing procedures, or lack of adequate information available to traders regarding import regulations;

4. Reasonable access to a traditional foreign market has not been restored for a particular commodity, even though the country concerned has substantially relaxed its restrictions on imports in general;

5. The long-standing application of import restrictions by a country on a particular product has been accompanied by the growth of uneconomic output of that product within the country; or

6. Discrimination exists in the treatment of goods available from the United States as compared with the treatment afforded similar goods from other countries with convertible currencies.

In order to permit adequate consideration of views and information, it is requested that all responses be submitted to the Committee for Reciprocity Information by April 15, 1960, regarding the countries consulting in May; by May 15, 1960, regarding the countries consulting in July; and by August 15, 1960, regarding the countries consulting in October. Information submitted to the Committee after these dates will be considered to the extent time permits.

All communications on this matter, in fifteen copies, should be addressed to: The Secretary, Committee for Reciprocity Information, Tariff Commission Building, Washington, D.C. Views may be submitted in confidence if desired.

By direction of the Committee for Reciprocity Information this 15th day of March 1960.

Edward Yardley,
Executive Secretary,
Committee for Reciprocity Information

U.S. and U.K. Recess Air Talks

Press release 133 dated March 17

The civil aviation discussions between th United Kingdom and the United States whic began in Barbados on the 24th of February ar being recessed to be resumed in London in a fe weeks' time. Full opportunity was taken of th presence of the delegates in Barbados for a com prehensive review of the route schedules to th bilateral agreement[1] between the United State and the United Kingdom insofar as the Carib bean area is concerned. Subject to a few ou standing points which require further study, th heads of delegations agreed to recommend ex panded route schedules to their Governments fo this area. As regards other areas, both deleg tions indicated that the exchange of views durin the past few weeks had been highly beneficial an expect that the resumed negotiations will lead t a mutually advantageous expansion of routes.

[1] 60 Stat. 1499; Treaties and Other International Ac Series 1507 (Bulletin of Apr. 7, 1946, p. 584).

The bilateral air transport services agreement between the United States and the United Kingdom provides the basis for a joint review of international air services conducted by airlines of the two countries on routes to and from the United States and the United Kingdom. The consultation which was recessed on March 16 was one of a series of meetings between representatives of the two Governments since the agreement was concluded in February 1946. The last meeting prior to the consultation in Barbados was held 3 years ago. Since that time both sides have wished to discuss a number of questions arising from air services over the routes in the agreement, and considerable progress has been made.

The delegations have returned home to study the proposals made by each side before the conference resumes.

THE CONGRESS

Department Supports U.S. Membership in International Development Association

Statement by Under Secretary Dillon[1]

I welcome the opportunity to appear before this committee to urge favorable action on the bill before you [H.R. 11001] to authorize the U.S. to accept membership in the proposed International Development Association.[2] The Department of State fully supports the proposed legislation.

In his statement to you Secretary [of the Treasury Robert B.] Anderson described in detail the structure and functions of the International Development Association. I should like to talk about the relation of the Association to our foreign policy objectives.

The basic premises behind the idea of the International Development Association can be stated simply and briefly. The less developed countries of the free world must have a satisfactory rate of economic growth if they are to maintain their freedom and develop into stable, effective, responsible societies. It is an important objective of U.S. foreign policy to help these countries achieve adequate economic growth.

Cooperative Approach to Development

But the job of helping the low-income countries is not one that the United States alone can accomplish. It requires the combined efforts of all the economically advanced nations of the free world. It is right and proper that those nations whose incomes and savings are high should help the developing countries to economic and social progress. This has been the normal pattern of the past. Our own growth on this continent was substantially aided by other nations economically more mature than we.

Today in a world community in which two-thirds of the world's people are striving to throw off the tyranny of poverty, disease, and illiteracy, it is imperative that all free nations help, lest these peoples, overwhelmed by massive problems, exchange the tyranny of poverty for the tyranny of the all-pervasive, all-controlling state. We, who value liberty, tolerance, and the free and

[1] Made before Subcommittee I of the House Committee on Banking and Currency on Mar. 17 (press release 130).

[2] For President Eisenhower's message transmitting a special report on the IDA to the Congress, see BULLETIN of Mar. 14, 1960, p. 422.

open exchange of ideas, owe it to ourselves to enlarge the community of nations that can meet the aspirations of their peoples for economic and social betterment in an environment of freedom.

Thus, the first basic premise of the IDA is cooperative sharing among all free-world nations of the responsibility for helping the less developed countries, a task to which all contribute but to which the economically stronger members make a proportionately larger contribution.

In the IDA the economically advanced countries would subscribe 76 percent of the capital of the Association, and their subscriptions would be freely convertible. The low-income countries would subscribe 24 percent of the capital, but only 10 percent of their subscriptions would be in convertible currencies. Ninety percent of their subscriptions would be in national currencies, usable primarily for development projects in their own countries.

External Capital on Flexible Terms

The second basic premise of the IDA is that the less developed countries need external capital on flexible repayment terms. Developing countries need to import from abroad the technology, the industrial materials, and the capital equipment on which growth depends. For this purpose they can use their export earnings, they can encourage the inflow of private investment capital, and they can borrow on conventional terms from existing public lending institutions.

For some of the low-income countries, especially those which have already achieved momentum in their development, these three sources are adequate to permit a satisfactory rate of growth. But for many other developing countries, additional sources of capital on easier terms are needed. In some of them export earnings can barely finance the import of essential consumer goods; there is little left with which to finance imports of capital goods required for growth. Private capital is slow to move because underdevelopment is itself a deterrent. The low level of labor skills, the limited local market, the absence of basic facilities such as roads, power, and communications on which private enterprise depends, the uncertain political climate are all obstacles to a greater flow of private funds.

Many of these countries, of course, obtain loans from the International Bank and the U.S. Export-Import Bank. Both institutions have made substantial sums available for imports of capital goods. But the borrowing capacity of the low-income countries is limited. Loans from the International Bank and the Export-Import Bank must be serviced in hard currency at rates of interest determined by market conditions. The need for capital imports of many developing countries far exceeds their capacity to service loans on normal banking terms. Many projects that are sound in conception and basic for growth cannot be financed by conventional loans.

Therefore, supplementary funds are needed to provide capital on easier terms for the multitude of projects and programs that cannot otherwise be set in motion. This is the job of our own Development Loan Fund. It is also the job envisaged for the proposed International Development Association. The IDA can be most clearly grasped if it is thought of as an institution with the same basic purpose as the DLF but, by virtue of its international membership, one in which others can participate fully in doing the job that must be done. The IDA, like the United States Development Loan Fund, would provide growth capital for meritorious projects on terms that do not overburden the economies of the borrowers.

The IDA should not be thought of as a substitute for the Development Loan Fund, nor should its establishment be the occasion for any lessening of our national effort. The need for development capital is too great for that. The United States must, moreover, have economic instruments of its own which will be responsive to national needs and foreign policy considerations. The IDA should be regarded rather as an additional source of capital, an important addition that increases the total flow of development funds from free-world sources and one that helps thereby to advance an important objective of United States policy.

Affiliation With International Bank

The third basic premise behind the IDA is that it should be closely affiliated with the International Bank. The IDA will be financing much the same type of project as the International Bank. Both the parent and the affiliate will be examining development programs, determining priorities,

udging the technical feasibility and economic soundness of specific projects. This will be their day-to-day work. The essential difference will not be in this day-to-day function. It will be in the repayment obligations imposed on borrowers. It is entirely logical, therefore, that the IDA should be closely tied to the International Bank.

The International Bank has had more than a decade of experience in financing the development requirements of its members. It has sound management, a skilled staff, and single-minded devotion to promoting economic growth. It enjoys the confidence of its 68 members. The affiliation of the IDA with the IBRD will assure that scarce resources are put to optimum use.

These then are the three basic ideas behind the International Development Association: to enlist the participation of all free-world countries in providing growth capital to the less developed areas, to provide this capital on flexible terms, and to assure sound management through utilizing a tried international institution.

Relation of IDA to Other Development Institutions

The IDA will be one of several development institutions, each fashioned to do a particular job and to meet a particular need. Let us see how the Association relates to the other institutions that are now engaged in providing capital for economic development.

We have two national lending agencies. First there is the Export-Import Bank, which promotes the trade of the U.S. Export-Import Bank loans must be repaid in dollars on conventional banking terms. Then we have the Development Loan Fund. The Fund finances development projects that cannot meet the repayment criteria of the Export-Import Bank or other hard-loan institutions. Its loans are made on flexible repayment terms, many of them carrying a lower rate of interest and permitting repayment in local currency. These two institutions complement each other.

We have recently helped to establish the Inter-American Development Bank to promote economic growth in the Americas, where we have especially close historical relations. This institution will have two departments: one to finance development projects on normal banking terms as in the case of the IBRD or the Export-Import Bank; the other to provide financing on more flexible terms as is done by the DLF and as is proposed for the new IDA. Its creation has stimulated the more developed Latin American countries to contribute capital for the growth of those in the Americas who are much less developed. The responsibility for management and for allocation of resources among competing claimants will be a responsibility of the Latin American countries themselves. The institution will increase the total flow of capital, give cohesion to the Americas, and impetus to development. Thus it performs functions over and above those performed by our national financing instruments.

Then there are the international institutions. There is the International Bank that provides loan capital for development projects. It is similar to our Export-Import Bank in that its loans are hard loans. But the IBRD was created to enable many countries to pool their resources and share the burden. It gets the bulk of its funds from the private capital markets of the world with the help of the guaranties of its member governments.

There is the International Finance Corporation, an affiliate of the International Bank. Its purpose is to stimulate private investment in the less developed countries by associating its capital in private ventures. Its resources have been subscribed by government members.

There is, however, no widely based international organization that pools the resources of many countries for the purpose of providing development capital on flexible repayment terms. This is the function that the new IDA will perform.

The IDA will not duplicate or compete with other lending institutions. It will increase the total flow of development capital to the newly developing areas. It will provide financing of a kind not now available from any other free-world multilateral institution. It will perform a valuable service in promoting not only the growth but also the cohesion of the countries of the free world.

I urge this committee to take early favorable action to authorize the United States to join with the other free-world nations in the establishment of the Association.

The Mutual Security Program in the Far East

Statement by J. Graham Parsons
Assistant Secretary for Far Eastern Affairs [1]

I welcome the opportunity to appear before you in support of the Mutual Security Program. My responsibility has to do with the Far East and extends from Japan and Korea on the northeast through China and southeast Asia around to Burma and down through Indonesia to Australia and New Zealand. Well over a third of the people on earth live in this area, more than 650 million in Communist China, north Viet-Nam, and north Korea and 350 million in 13 countries of the free Far East. These free countries are distributed on islands and peninsulas around the central heartland of Communist-controlled China. This fact is a constant preoccupation for all of these countries as indeed it is for us too.

It is our aim to help preserve the hard-won independence of these countries and to assist them in their aspirations for a better life for their peoples. We have long considered these aims to be important in our own broad self-interest, but we also value our cordial and cooperative relations with these peoples for other, less materialistic reasons. The harsh reality, however, is that they are menaced by the overbearing presence of Red China, whose leaders are dedicated, in the words of one of them, Liu Shao-chi, "to . . . transform the present world into a Communist world." [2] Given the disparity in population, the peripheral position of the free countries of the area, their lesser material strength, and, for most of them, their newness, it is obvious that a grave imbalance of power exists in the Far East. It is our countervailing presence which redresses this balance, and it must continue to do so. Nowhere, I venture to say, does the presence, prestige, and power of the United States play a more vital role than in this area. A key instrument, in fact the indispensable instrument, in our relative success to date has been the Mutual Security Program.

A Turning of the Tide in the Far East

In this pivotal year, at the close of a turbulent decade, I would like briefly to look first at the past, to see where we have come with the help of this program, and then at the future in an effort to foresee something of the nature and dimensions of the challenge ahead in the 1960's. We might take this look in the context of a question, "Have we reached a turning of the tide in the Far East?"

Looking back to the early 1950's, the picture was anything but promising. Following the conquest of the mainland by the Chinese Red Army, there were the devastating war years in Korea and on the Indochina Peninsula, where at one time it appeared that the Communist aggressors would greatly enlarge their area of control. The turbulence of those years was also marked by Communist terrorism and armed insurrection in such countries as Indonesia, Burma, Malaya, and the Philippines. Prospects for the Government of the Republic of China were precarious, and of course Japan had not yet recovered its vitality and strength. These were the unpromising circumstances which faced the forerunners of the Mutual Security Program. The atmosphere was one of crisis, and the constant threat was direct and indirect aggression. Hence the emphasis of U.S. policy was on security, to be attained through the support of local forces, through the creation of a defensive base system backed by our mobile military power, and through the negotiation

[1] Made before the House Foreign Affairs Committee on Mar. 8.

[2] Liu Shao-chi, *How To Be a Good Communist*, 1951.

of bilateral treaties of mutual security and the multilateral ANZUS [Australia–New Zealand–United States] and SEATO [Southeast Asia Treaty Organization]. These countermeasures followed rather than preceded the repeated aggression of the Communists on both the northern and southern flanks of Communist China and in the Taiwan Strait.

We take satisfaction that there has been no further alienation of territory to the Communists, that Communist probes in 1958 in the Taiwan Strait and in 1959 in Laos were damped down, and that Communist terrorism in the countries of the area has been largely eliminated. Although the activities of Communist China in all border areas indicate that stabilization is inimical to its objectives, stabilization has nonetheless been substantially achieved.

The checking of the flood tide of Communist territorial expansion was accompanied by important political and psychological changes in many countries of the area. At the outset of the decade, former colonial peoples looked askance at the Western Powers, whom they identified with their former exploitation, and felt a certain affinity for the Communist powers, whom they tended to identify with the cause of nationalism.

In the last several years, however, the Chinese Communists through various ill-judged acts, including their political and economic interference in Japan, their belligerent action in the Taiwan Strait, their utter suppression of Tibet despite written guarantees, and their pressures upon India and Indonesia, have cast away the favorable image of themselves which the new countries of Asia had previously held. Increasingly the proper distinction is being drawn between the motivations of the free world and of the Communist world. None of these countries would now voluntarily accept Communist solutions. Since the Quemoy crisis the governments and, to an increasing extent, people in the Far East have become aware of the relationship between American policy toward Red China and their very survival. The presence of the United States, its readiness to meet its commitments, and its demonstrated ability to do so promptly have helped to instill a new confidence. This has brought a degree of consolidation and progress which would have seemed foolishly optimistic in the early years of the decade.

The Mutual Security Program has been a vital instrument of policy during this decade of crisis and survival. At the close of the decade we may, I think, affirm that there has been a favorable turning of the tide in the free countries of the Far East, both from the standpoint of checking Communist expansion and from that of the psychology and attitudes of their peoples.

Chinese Communist Objectives

These developments have, of course, implications for our future programs which must and will be considered. However, it is first necessary to consider whether within Red China and the other Communist-controlled areas there has also been or is in prospect a turning of the tide in our favor.

Let us ask ourselves if there has been any alteration of Chinese Communist objectives or any mellowing of its methods. At Warsaw, in our ambassadorial talks, there has been consistent refusal to renounce the use of force in the Taiwan Strait. Over Peiping radio there come repeated demands for the United States to leave the western Pacific. There also come repeated heated charges that we are seeking to create "two Chinas." Repeatedly the Chinese Communists revert to tactics of bluster and threat as they did in January when the Japanese signed with us the new Treaty of Mutual Cooperation and Security.[3] We may in future expect tactical shifts from time to time, but any fundamental change in Communist strategy is unlikely. We should recognize that there has been no favorable turning of the tide in Communist Asia so far as intent, attitudes, or methods go and none is in prospect.

Looking ahead it is also pertinent to assess, first, the solidarity of the Sino-Soviet alliance in the light of their respective national interests and, second, the prospects for continued growth in the military and industrial power of the Red Chinese regime.

On the first question, it seems evident that up to the present the forces making for continued solidarity, a common ideology, the shared goal of Communist world domination, and the advantage which each partner derives from having a powerful ally at its rear are of overriding importance. Although Moscow speaks currently in terms of

[3] For text, see BULLETIN of Feb. 8, 1960, p. 184.

"peaceful coexistence" while Peiping talks in more bellicose accents, the Chinese Communists continue to recognize openly Soviet leadership of the Communist camp. They continue to derive new increments of military and industrial strength from massive Soviet assistance. However, the frontier between Russia and China is not like our undefended border with Canada; the ancient Great Wall of China may one day have implications in the modern world, which also has its barbarians. Recent tactical and doctrinal differences are in fact an interesting subject for discussion, particularly as projected toward the future. It would be imprudent, however, to plan on any assumption other than a continuance of the present solidarity of the Sino-Soviet axis.

Prospects for Growth of Communist China's Power

It is when one considers prospects for further growth of Communist China's power that the continuing importance of the Mutual Security Program becomes yet more evident.

A comparison of Communist China's growth with that of the Soviet Union during their first two 5-year plans—1928–37 in the case of the Soviet Union and 1953–62 in the case of Communist China—is enlightening. Total Soviet industrial output in the decade of its first two 5-year plans increased by about 130 percent, while, on best available estimates, Chinese Communist output will have increased by 300 percent during a comparable period. Growth in Soviet steel production was fourfold to 17.7 million tons while the comparable increase in China is about eighteenfold to a projected 25 million tons by 1962. It seems clear that in the years ahead, in terms of overall economic growth and especially in heavy industry, Communist China could become one of the major powers.

While many other factors enter into an estimate of national power, particularly in relation to capacity to wage modern war, the foregoing provides sufficient indication that the free Far East will continue to live for an indefinite period in proximity to a menacing neighbor with a formidable growth potential. It would be prudent at the least to assume that the imbalance of power will, as in the 1950's, have to be redressed from outside the area.

Now the prospect outlined above is not necessarily one which will actually be realized over the decade. There is without doubt great weariness among the overworked and overstimulated masses of rural and urban China. There is discontent, there are dislocations of production and distribution. Above all, agriculture lags behind even the regime's revised figures. The food problem may well vex Communist leaders for as long as they retain power, and when one considers that the Red Army is derived from the peasantry, the potential threat to the regime becomes evident. Here again, however, it would be folly to base policy on an assumption of collapse.

Inasmuch as Chinese Communist leaders clearly anticipate success, it is not to be expected that they will soon desire to reach any form of accommodation or will see any need to modify, except momentarily, their harsh attitudes. We must instead anticipate that the Chinese Communists will resort to force whenever it suits their purpose and that the threat of force, spoken or unspoken, will remain a major instrument of their policies. The rigid ideological conformity and discipline of the Peiping regime can result only in the maintenance of pressures and tensions and will inhibit it from seeking genuine compromise on international issues.

During these past several years Chinese Communist leaders have amply demonstrated to us, to their neighbors, in fact to the whole world their arrogant and aggressive attitudes. Whether in the Warsaw talks or elsewhere, they confront us with only two alternatives of policy toward them. Either we must continue to do what is necessary to deter or defeat their aggression, or we must make overtures which would be regarded by them and by our allies as an indication of weakness or weariness. It has, I think, become clear to most of us that this latter alternative would have the most grievous effects and would jeopardize all that has been gained in the free Far East in the 1950's, where, as I have said, we feel that there has been a turning of the tide. There has been no ebb in Communist China, nor can we safely proceed on the assumption that there is one in prospect.

From the foregoing you will note that out of the experience of the fifties we believe we are confronted with two somewhat contrasting situations. The situation of the free countries has improved, our relations with them have generally become closer and more understanding, and the outlook is promising. On the other hand the situation

with respect to Communist China is just as intractable as before, and we must be prepared for the possibility of continuing and perhaps increasing challenge to us and to the free-world countries of the area. At the heart of our task, then, is a continuing examination of the implications of both these situations for the future of the Mutual Security Program. We endeavor to keep this continually in mind in our longer term consideration of MSP planning, which is more than ever required if we are to meet the challenge of the sixties successfully.

Mutual Security Proposals for Far East

Inasmuch as I am before you today to support the administration's request for MSP authorizing legislation for fiscal year 1961 only, I will now devote the remainder of this statement to our current needs with but limited reference to longer term implications. A full exposition of the details of the mutual security proposals by country will be found in the Far East regional book and the worldwide book, which have been prepared with great care to provide classified and nonclassified information which we believe the committee requires.

For the Far East, the total request is $1,231 million, of which $692 million is for military assistance and $539 million is for economic and technical assistance. Of the latter amount, $493 million is for defense support, predominantly for Korea, Viet-Nam, and Taiwan to maintain their defensive strength.

For economic growth we are relying primarily upon the Development Loan Fund, which in 2 years has approved loans totaling $196 million in the Far East. The DLF expects to approve a substantial number of loans in the area in fiscal year 1961.

More than half of the military assistance is directed to Korea and Taiwan to maintain and selectively modernize forces which are essential to the forward defense strategy of the United States. This selective modernization is urgently needed and is overdue.

In the face of demonstrated Chinese Communist aggressiveness, there continues to be a threat to survival in the Far East. Accordingly there must in our opinion continue to be heavy emphasis on the military aid and defense support sectors. I will be prepared, along with my colleagues from the Department of Defense, to answer questions as to the rationale for levels of local forces, both in the divided countries (Korea, China, and Viet-Nam), where large defense forces are clearly needed, and in other countries, where the utility and relationship of local forces to overall needs is less apparent.

At this point I would like to emphasize that the conventional forces of our friends and allies in the Far East provide an important measure of immediate deterrence to Communist probes. They are, moreover, necessary if we are to continue to have a capability for flexible, graduated response to Communist probes such as we have witnessed these past 2 years. They provide a time cushion not merely for the interval until mobile United States and other free-world forces can be brought to bear but for the effective use of diplomatic and psychological deterrents. In the absence of such a time cushion the reaction to a Communist probe would be a choice between withdrawal and holocaust. But with ready, trained, conventional forces present, the means are available to make a graduated flexible response until the degree of risk becomes greater than the Communist aggressor is prepared to accept. We thus believe that the maintenance of these conventional forces is an important element in free-world efforts to preserve its integrity and the general peace.

In the execution of the military assistance program in the current year, and in plans for fiscal 1961, stress has been given to decentralization of decisionmaking authority to the country team and regional unified command. Another noteworthy development has occurred in the country of our largest MAP program, the Republic of Korea. A determined effort by the Korean Armed Forces has resulted in marked improvement in supply and logistic management. The planning and initial efforts to remedy weaknesses that were discussed with the committee last year, plus a dedicated effort by Korean and American service people, have resulted in standards of performance that approach our requirements.

An important segment of aid to the three divided countries of the Far East is in the form of defense support—56 percent of the global request—to help those countries carry the costs of their heavy military burdens. It is in these countries, with their former internal economic struc-

tures fragmented by demarcation lines, neutral zones, or the Taiwan Strait, that support on a grant basis seems unlikely to be wholly replaced by loans. Nonetheless, even in Korea, China, and Viet-Nam, every effort will be made to emphasize economic reconstruction concurrently with the provision of military assistance.

Economic Support

We have long realized that mere survival is not enough for the free peoples of the Far East. They need to develop a vested interest in their future. Social and economic progress, rising standards of living, plus mature and stable national institutions, are all necessary if their aspirations are to be met and if the Communist forced-draft methods of production are to continue to be rejected. Governments and peoples must be enabled to make progress adequate to maintain faith in themselves and in a society with traditional cultural and human values. Particularly in the light of the efforts which these countries are making to insure survival, the United States should continue to give emphasis to the other major objective of the Mutual Security Program, economic development. Such an emphasis should be related to the turning of the tide in the free countries of the Far East.

In the 1950's the character of our economic support programs was strongly influenced by a recurrent "crisis" atmosphere. Governments were new, and conditions were so insecure that there appeared to be constant danger that in some way or another communism might take over. Improvisation and what we have called crash programs could then be justified, and they did, by and large, achieve results. Today, however, improvisation is less justifiable. Henceforth we can, I hope, relate our actions less and less to immaturity of national institutions and fear of imminent economic or political disaster and more to growing stability and the long haul of patient economic development. Our programs in the Far East, now bolstered by the new instrumentality, the Development Loan Fund, henceforth will be considered more and more in this light.

There are certain situations where impact projects are still necessary to assist governments in convincing their peoples that free-world aid, in distinction to available Sino-Soviet aid, is helping them and does produce results. By and large, however, I believe that we should increasingly pay attention to basic undertakings which will help governments, now fully alert to the dangers of communism, to make economic progress at a pace which will remain ahead of their people's material expectations and will not tempt them to resort to revolutionary social changes. We should, of course, spare no effort to develop our programs in a manner as responsive as possible to local psychology and needs. This requires unremitting effort on the part of our officials to understand the viewpoint of local leaders. The effort can be aided at times by institutional arrangements which give a true partnership flavor to our programs. Quite apart from concrete results of these programs in improving the well-being of Asian peoples there is a byproduct of incalculable value if they come to feel that we are truly interested, as I believe we are, in their aspirations and in their success. They devoutly aspire to economic independence as well as political independence, and it is our aim to help them in this regard.

In planning economic support we should remember that there is a basic difference between our past efforts in Europe and our current efforts in the Far East. In Europe the task was rehabilitation. In Asia it is a task of creation. In Europe we worked with mature, advanced nations in a well-integrated central region. In the Far East we are working in what is not truly a region at all and chiefly with new countries who have had everything to learn for themselves.

Program for Taiwan

Considerations such as these lead to a conviction that our aid concepts in the Far East in the period ahead require careful review. This process has already begun. One place where we are ready to agree to a new approach is Taiwan, where the Republic of China has made such notable progress that, despite the inescapably heavy defense burden, new strides toward economic viability seem possible.

On Taiwan a sound economic foundation now exists and provides a basis for major economic development. The population is literate, energetic, and resourceful. A good transportation system and improving power supplies are available. The Government is especially aware of the need for an economic breakthrough both to maintain political stability and to demonstrate what can be achieved

by free Chinese in contrast to the totalitarian mainland regime.

The proposed economic aid program for fiscal year 1961 combines the use of defense support grants and DLF loans to help the Chinese Government put into effect the difficult economic decisions required to accelerate investment while at the same time maintaining heavy military burdens. These decisions include close scrutiny of the military budget, adoption of noninflationary fiscal and credit policies, tax reforms to encourage investment and savings, uniform and realistic exchange rates, liberalized foreign exchange controls, and a reduction of governmental activities competing with private enterprise. This Chinese action will contribute significantly to the establishment of an investment climate attractive to domestic and foreign capital and will make possible greater growth than Taiwan has thus far achieved. As free China develops greater strength, it will be able to carry a larger share of costs both of its military establishment and its civilian economy. This will permit reductions in U.S. defense support aid.

In another country, Japan, we are phasing out the limited, but valuable, programs of technical assistance which helped over the past 6 years to add new dimensions to the growing ties between Japanese and American industrial, labor, and professional leaders. We ask this year only the amount required for an orderly termination of this program in fiscal year 1961. However, I should like to note here that the past year has witnessed the negotiation of a new Treaty of Mutual Cooperation and Security, which, when ratified by both countries, will be the tangible expression of a voluntary and longer term relationship between Japan and the United States. At the same time military aid to Japan is becoming more selective and limited and includes cost sharing and sales projects in the current year. Note should also be made of the fact that important Japanese assistance is being extended to countries of southeast Asia both in the form of reparations and special assistance. We will in the year ahead lose no opportunity to encourage other countries and the United Nations as well in appropriate ways to add their assistance in increasing measure to that which comes from us.

Finally, in closing, I should like to revert once again to the central preoccupation of all of these countries and of ourselves in the Far East, namely the implacable Chinese Communist regime. Over recent months we have seen in varying degrees, in all the countries of the free Far East, apprehension lest steps taken in our unremitting search for a decent peace should be the precursor of some form of compromise with the Chinese Communists. Accordingly in the Far East we will be concerned with assuring that the efforts being made to achieve a *détente* with the Soviet Union shall not unsettle and unbalance the Far Eastern region, where in 1960 the situation is so much more promising than appeared possible only a few years ago. It is our conviction that the maintenance of our effort and our basic posture and policies in the Far East is essential. Only thus can the countries there be assured that they can count on us in the face of Communist threats. Such confidence on the part of nations of the free Far East is a prerequisite to continued relative success in the 1960's for us and for them.

In the years just ahead we can be certain of one thing. The free countries of the Far East will depend for their survival upon the continuity of U.S. policy. This means the continuation of economic and military aid to help them resist Communist attempts to encroach upon their freedom and frustrate their peaceful economic development. Our policy can continue to succeed if we persevere in our chosen course of action and make adequate provision for its support. In our view the minimum adequate provision would be the sums which we are requesting for the Far East in fiscal year 1961.

Calendar of International Conferences and Meetings[1]

Adjourned During March 1960

Five-Nation Disarmament Committee	Washington	Jan. 25–Mar. 2
U.N. Commission on Permanent Sovereignty Over Natural Resources: 2d Session.	New York	Feb. 16–Mar. 4
ILO Governing Body: 144th Session	Geneva	Feb. 22–Mar. 4
FAO Consultative Subcommittee on the Economic Aspects of Rice: 4th Session.	Saigon	Feb. 22–Mar. 1
ICAO Special Communications Meeting on European-Mediterranean Rules of the Air and Air Traffic Control.	Paris	Feb. 23–Mar. 14
U.N. ECE Conference of European Statisticians: Working Group on Statistics of Financial Assets and Liabilities.	Geneva	Feb. 29–Mar. 4
U.N. ECOSOC Commission on Human Rights: 16th Session	Geneva	Feb. 29–Mar. 18
International Bureau of Education: 37th Meeting of Executive Committee.	Geneva	Mar. 1–2
IMCO Council: 3d Session	London	Mar. 1–3
Foundation for Mutual Assistance in Africa South of the Sahara: 2d Meeting.	Tananarive, Malagasy Republic.	Mar. 2–3
Inter-American Institute of Agricultural Sciences: 5th Meeting of Technical Advisory Council.	Lima	Mar. 7–11
IAEA *Ad Hoc* Preparatory Panel on Third-Party Liability for Nuclear Shipping.	Vienna	Mar. 7–17
UNICEF Executive Board and Program Committee	New York	Mar. 8–16
Development Assistance Group	Washington	Mar. 9–11
U.N. Economic Commission for Asia and the Far East: 16th Session.	Bangkok	Mar. 9–21
UNESCO Intergovernmental Advisory Committee on Extension of Primary Education in Latin America.	México, D.F.	Mar. 14–19
GATT Committee III on Expansion of International Trade	Geneva	Mar. 14–25
FAO European Commission for Control of Foot-and-Mouth Disease: 7th Session.	Rome	Mar. 16–18
5th ICAO North Atlantic Ocean Stations Conference	The Hague	Mar. 17–29
International Study Group on Lead and Zinc: Standing Committee.	New York	Mar. 17 (1 day)
U.N. ECE Inland Transport Committee: Working Party on Construction of Road Vehicles.	Geneva	Mar. 21–25
ITU CCITT Working Party 43 (Data Transmission)	Geneva	Mar. 21–28
UNESCO Intergovernmental Conference on International Oceanographic Ships: Preparatory Meeting.	Paris	Mar. 21–29
U.N. ECAFE Working Party on Small-Scale Industries and Handicraft Marketing/Canning and Bottling of Fruit and Food in Cooperation with FAO.	Singapore	Mar. 24–31
U.N. ECLA Committee of the Whole: 7th Meeting	Santiago	Mar. 28–30
International Sugar Council: 6th Session	London	Mar. 30–31

In Session as of March 31, 1960

Conference on the Discontinuance of Nuclear Weapons Tests	Geneva	Oct. 31, 1958–
U.N. Committee on Information from Non-Self-Governing Territories: 11th Session.	New York	Feb. 23–
Ten-Nation Disarmament Committee	Geneva	Mar. 15–
2d U.N. Conference on Law of the Sea	Geneva	Mar. 17–
ICAO Legal Committee: Subcommittee on Aerial Collision	Paris	Mar. 21–

[1] Prepared in the Office of International Conferences, Mar. 17, 1960. Following is a list of abbreviations: CCITT, Comité consultatif international télégraphique et téléphonique; CENTO, Central Treaty Organization; ECAFE, Economic Commission for Asia and the Far East; ECE, Economic Commission for Europe; ECLA, Economic Commission for Latin America; ECOSOC, Economic and Social Council; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Atomic Energy Agency; IA–ECOSOC, Inter-American Economic and Social Council; ICAO, International Civil Aviation Organization; ICEM, Intergovernmental Committee for European Migration; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; PAHO, Pan American Health Organization; SEATO, Southeast Asia Treaty Organization; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; WMO, World Meteorological Organization.

Calendar of International Conferences and Meetings—*Continued*

In Session as of March 31, 1960—*Continued*

ICAO Legal Committee: Subcommittee on Hire, Charter, and Interchange.	Paris	Mar. 21–
U.N. ECOSOC Latin American Regional Conference on Narcotic Drugs.	Rio de Janeiro	Mar. 21–
GATT Committee II on Expansion of International Trade	Geneva	Mar. 28–
GATT Intersessional Committee	Geneva	Mar. 28–
U.N. ECOSOC Commission on Status of Women: 14th Session	Buenos Aires	Mar. 28–
UNESCO Executive Board: 56th Session	Paris	Mar. 28–
UNESCO Meeting of Administrators on Technical and Vocational Education in Africa.	Accra, Ghana	Mar. 28–
IAEA Board of Governors: 16th Session	Vienna	Mar. 29–

Scheduled April 1 Through June 30, 1960

FAO Desert-Locust Control Committee: Special Meeting	Rome	Apr. 4–
International Study Group on Lead and Zinc: Statistical Committee.	Paris	Apr. 5–
U.N. Economic and Social Council: 29th Session	New York	Apr. 5–
U.N. ECAFE Conference of Asian Statisticians: 3d Session	Bangkok	Apr. 5–
International Wheat Council: 29th Session	London	Apr. 5–
Executive Committee of the Program of the U.N. High Commissioner for Refugees: 3d Session.	Geneva	Apr. 7–
U.N. ECE Working Party on Standardization of Conditions of Sale for Cereals.	Geneva	Apr. 11–
Foreign Ministers Meeting	Washington	Apr. 12–
ICAO Informal Southeast Asia Regional Meeting on Air Traffic Services/Communications.	Bangkok	Apr. 13–
U.N. Trusteeship Council: 26th Session	New York	Apr. 14–
Meeting of Experts on the Inter-American Telecommunications Network and ITU–CCITT Plan Subcommittee.	México, D.F.	Apr. 19–
U.N. ECOSOC Committee on Illicit Traffic of the Narcotic Drugs Commission.	Geneva	Apr. 19–
U.N. Economic Commission for Europe: 15th Session	Geneva	Apr. 20–
U.N. ECOSOC Statistical Commission: 11th Session	New York	Apr. 20–
Inter-American Seminar on Strengthening of the Family Institution.	Caracas	Apr. 23–
IAEA Scientific Advisory Committee to Board of Governors	Vienna	Apr. 25–
FAO International Meeting on Veterinary Education	London	Apr. 25–
PAHO Executive Committee: 40th Meeting	Washington	Apr. 25–
ICAO Panel of Teletypewriter Specialists: 4th Meeting	Montreal	Apr. 25–
ILO Petroleum Committee: 6th Session	Geneva	Apr. 25–
WMO Eastern Caribbean Hurricane Committee: 5th Session	Curaçao	Apr. 25–
U.N. ECOSOC Commission on Narcotic Drugs: 15th Session	Geneva	Apr. 25–
U.N. ECAFE Committee on Industry and Natural Resources: 4th Session of the Mineral Resources Development Subcommittee.	Tokyo	Apr. 26–
CENTO Ministerial Council: 8th meeting	Tehran	Apr. 28–
U.N. Scientific Advisory Committee	New York	Apr. 28–
FAO Group on Citrus Fruits: 1st Session	Valencia	May 2–
NATO Ministerial Council	Istanbul	May 2–
GATT Committee on Balance-of-Payments Restrictions	Geneva	May 2–
U.N. ECOSOC Commission on Commodity Trade: 8th Session	New York	May 2–
International Fisheries Convention of 1946: 8th Meeting of Permanent Commission.	London	May 3–
13th World Health Assembly	Geneva	May 3–
ICEM Council: 12th Session	Naples	May 5–
FAO Group on Coconut and Coconut Products: Working Party on Copra Quality and Grading.	Rome	May 9–
FAO Interim Advisory Committee on Freedom from Hunger	Rome	May 9–
GATT Committees I and II on Expansion of International Trade	Geneva	May 9–
UNESCO/ILO Committee of Experts on Neighboring Rights	The Hague	May 9–
IAEA Symposium on Fuel Element Fabrication With Special Emphasis on Cladding Materials.	Vienna	May 10–
UNESCO Symposium on Arid Land Problems	Paris	May 11–
8th Pan American Highway Congress	Bogotá	May 12–
FAO Group on Coconut and Coconut Products: 3d Session	Rome	May 12–
Meeting of Heads of Government and Chiefs of State	Paris	May 16–
U.N. ECE Working Party on Agricultural Statistics	Geneva	May 16–
GATT Contracting Parties: 16th Session	Geneva	May 16–
IMCO International Conference on the Safety of Life at Sea	London	May 17–
ICAO Panel on Origin-and-Destination Statistics: 2d Meeting	Montreal	May 23–
International Cotton Advisory Committee: 19th Plenary Meeting	México, D.F.	May 23–

Scheduled April 1 Through June 30, 1960—*Continued*

U.N. Tin Conference	New York	May 23–
ILO Governing Body: 145th Session	Geneva	May 23–
SEATO Military Advisers	Washington	May 25–
U.N. Special Fund: 4th Session of the Governing Council	New York	May 25–
ITU Administrative Council: 15th Session	Geneva	May 28–
International Union for the Protection of Industrial Property: 24th Congress.	London	May 28–
International Commission for Northwest Atlantic Fisheries: 10th Meeting.	Bergen, Norway	May 30–
International Commission on Irrigation, Flood Control, and Drainage: 4th Meeting.	Madrid	May 30–
International Statistical Institute: 32d General Assembly	Tokyo	May 30–
SEATO Council: 6th Meeting	Washington	May 31-
13th International Cannes Film Festival	Cannes	May
2d UNESCO Meeting on Salinity Problems	Spain	May
FAO Group on Grains: 5th Session	Rome	June 1–
International Labor Conference: 44th Session	Geneva	June 1–
World Power Conference: 13th Sectional Meeting	Madrid	June 5–
U.N. ECE Housing Committee: 20th Session (and Working Parties).	Geneva	June 6–
7th International Electronic, Nuclear, and Cinematographic Exhibition.	Rome	June 13–
U.N. ECE Working Party on Construction of Vehicles	Geneva	June 13–
International Conference on Large Electric Systems: 18th General Assembly.	Paris	June 15–
International Whaling Commission: 12th Meeting	London	June 20–
U.N. ECE Coal Trade Subcommittee	Geneva	June 20–
FAO Working Party on Mediterranean Pasture and Fodder Development: 6th Meeting.	Rome	June 20–
10th International Berlin Film Festival	Berlin	June 24–
ILO Governing Body: 146th Session	Geneva	June 24–
WMO Executive Committee: 12th Session	Geneva	June 27–
GATT Working Party on Polish Participation in the Tariff Conference.	Geneva	June 27–
U.N. ECE Steel Committee	Geneva	June 27–
International Wheat Council: 29th Session	London	June 28–
FAO Committee on Commodity Problems: 33d Session	Rome	June
IA–ECOSOC Permanent Technical Committee on Ports: 3d Meeting.	Rio de Janeiro	June
Permanent International Commission of Navigation Congresses: Annual Meeting.	Brussels	June
7th International Meeting of Tonnage Measurement Experts	undetermined	June
UNICEF Committee on Administrative Budget	New York	June
UNESCO Intergovernmental Experts on Discrimination in Education.	Paris	June

Current U.N. Documents: A Selected Bibliography [1]

Economic and Social Council

Statistical Commission. Recent Basic Industrial Inquiries. E/CN.3/257/Add. 1. January 20, 1960. 50 pp.

Statistical Commission. Methods of Obtaining Industrial Statistics. E/CN.3/257/Add. 2. January 20, 1960. 34 pp.

Statistical Commission. Proposed Methods of Estimating Housing Needs. E/CN.3/274. January 20, 1960. 45 pp.

Commission on Human Rights. Declaration on the Right of Asylum: Comments of Governments. E/CN.4/793/Add. 1. January 20, 1960. 8 pp.

Commission on Human Rights. Declaration on the Right of Asylum: Comments of the High Commissioner for Refugees. E/CN.4/796. January 20, 1960. 2 pp.

Commission on the Status of Women. Women in Public Services and Functions. Report by the Secretary-General. E/CN.6/354/Add. 1. January 20, 1960. 15 pp.

Statistical Commission. Progress Report on Balance of Payments Statistics. Memorandum prepared by Balance of Payments Division of the International Monetary Fund. E/CN.3/278. January 21, 1960. 11 pp.

Commission on Human Rights. Freedom of Information. Memorandum by the Secretary-General. E/CN.4/792/Add. 1. January 21, 1960. 3 pp.

Statistical Commission. Progress Report on the 1960 World Population Census Programme. Memorandum by the Secretary-General. E/CN.3/276. January 22, 1960. 13 pp.

Economic Commission for Africa. Work of the Commission Since the First Session. Part I. Report of the

[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

Executive Secretary. E/CN.14/46. January 22, 1960. 22 pp.

Commission on Human Rights. Review of the Human Rights Programme. Memorandum by the Secretary-General. E/CN.4/797. January 25, 1960. 3 pp.

Commission on Human Rights/Commission on the Status of Women. Advisory Services in the Field of Human Rights. Report by the Secretary-General. E/CN.4/798. January 25, 1960. 6 pp.

Economic Commission for Africa. Report of the Committee on the Programme of Work and Priorities to the Second Session of the Economic Commission for Africa. E/CN.14/47. January 26, 1960. 7 pp.

Economic Development of Under-developed Countries: Water Resources Development Centre. First biennial report. E/3319. January 28, 1960. 38 pp.

Statistical Commission. Input-Output Tables and Analysis. Memorandum by the Secretary-General. E/CN.3/266. January 29, 1960. 44 pp.

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Statistical Commission. Handbook of Sample Surveys of Family Living Conditions. Methodological guide for multisubject household inquiries. E/CN.3/271. February 1, 1960. 5 pp.

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Economic Development of Under-developed Countries: Co-operatives. Studies made and assistance provided by the United Nations, the International Labor Office, and the Food and Agriculture Organization. Report by the Secretary-General. E/3321 and Add. 1. February 2 and 8, 1960. 42 pp.

Statistical Commission. Classification of Government Accounts. Progress Report on Classification of Government Accounts and Summary of Comments Received From Governments. E/CN.3/279. February 3, 1960. 10 pp.

Teaching of the Purposes and Principles, the Structure and Activities of the United Nations and the Specialized Agencies in Schools and Other Educational Institutions of Member States. Report by the Secretary-General of the United Nations and the Director-General of UNESCO. E/3322. February 4, 1960. 140 pp.

Question of a Declaration on Freedom of Information: Comments of Governments. Report by the Secretary-General. E/3323. February 5, 1960. 17 pp.

Economic Development of Under-developed Countries: Petroleum Resources. Report by the Secretary-General. E/3324. February 5, 1960. 16 pp.

Commission on Human Rights of Sub-Commission on Prevention of Discrimination and Protection of Minorities. Report of the Twelfth Session of the Sub-Commission on Prevention of Discrimination and Protection of Minorities to the Commission on Human Rights, 11 to 30 January 1960. E/CN.4/800. February 8, 1960. 113 pp.

Trusteeship Council

Examination of the Annual Report on the Administration of the Territory of the Cameroons Under United Kingdom Administration for the Year 1958. Observations of the World Health Organization. T/1499. January 25, 1960. 4 pp.

Conditions in the Trust Territory of Ruanda-Urundi: Interim Decree of December 25, 1959, on the Political Organization of Ruanda-Urundi. T/1501. January 28, 1960. 27 pp.

Conditions in the Trust Territory of Ruanda-Urundi. Statement of the Belgian Government on the Policy of Belgium in Ruanda-Urundi. T/1502. January 29, 1960. 9 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

Agriculture

Protocol of amendment to the convention on the Inter-American Institute of Agricultural Sciences of January 14, 1944 (58 Stat. 1169). Opened for signature at Washington December 1, 1958.[1]
Ratification deposited: Guatemala, March 10, 1960.

Telecommunications

North American Regional Broadcasting agreement and final protocol. Signed at Washington November 15, 1950.[1]
Ratified by the President: March 9, 1960.

BILATERAL

Australia

Agreement providing for continued operation in Australia of tracking stations established during the International Geophysical Year and the establishment of tracking facilities for Project Mercury and deep space probes. Effected by exchange of notes at Canberra February 26, 1960. Entered into force February 26, 1960.

Chile

Agreement providing a grant to the Government of Chile for the acquisition of certain nuclear research and training equipment and materials. Effected by exchange of notes at Santiago July 23, 1959, and February 19, 1960. Entered into force February 19, 1960.

Mexico

Agreement concerning radio broadcasting in standard broadcast band, and six annexes. Signed at México January 29, 1957.[1]
Ratified by the President: March 9, 1960.

Peru

Agreement for the loan of three U.S. vessels to Peru. Effected by exchange of notes at Lima February 12 and 26, 1960. Entered into force February 26, 1960.

Turkey

Agreement approving the procedures for reciprocal filing of classified patent applications in the United States and Turkey. Effected by exchange of notes at Ankara March 17 and September 16, 1959. Entered into force September 16, 1959.

Agreement amending the agricultural commodities agreement of February 13, 1959, as amended (TIAS 4175 and 4272). Effected by exchange of notes at Washington March 10, 1960. Entered into force March 10, 1960.

[1] Not in force.

DEPARTMENT AND FOREIGN SERVICE

American Legation Opens at Sofia

The Department of State announced on March 14 (press release 123) that Edward Page, Jr., had presented his credentials to Dimitur V. Ganev, President of the Presidium of the National Assembly of the People's Republic of Bulgaria, on that date as American Minister to Bulgaria. With Mr. Page's accreditation the American Legation at Sofia is now officially open for business, ending the suspension of U.S.–Bulgarian diplomatic relations since 1950.[1]

Peter G. Voutov, who presented his credentials to the President of the United States on January 15, is the Bulgarian Minister to the United States.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Peace and Friendship in Freedom. Pub. 6939. General Foreign Policy Series 148. 23 pp. 25¢.
A record of President Eisenhower's visit in December 1959 to 11 countries in Europe, Asia, and Africa, which includes addresses and remarks by the President along with communiques relevant to the visit.

Scientific, Technical, Educational and Cultural Exchanges. TIAS 4362. 44 pp. 20¢.
Agreement between the United States of America and the Union of Soviet Socialist Republics. Signed at Moscow November 21, 1959. Entered into force January 1, 1960. With memorandum signed at Washington November 24, 1959.

Economic Assistance to Libya. TIAS 4370. 6 pp. 5¢.
Agreement between the United States of America and Libya. Exchange of notes—Signed at Benghazi May 21, 1959. Entered into force May 21, 1959. With related note signed at Benghazi October 13, 1959.

Mexican Agricultural Workers. TIAS 4374. 31 pp. 15¢.
Agreement between the United States of America and Mexico, amending and extending agreement of August 11, 1951, as amended and extended. Exchange of notes—Signed at México October 23, 1959. Entered into force October 23, 1959.

[1] For background, see BULLETIN of Dec. 14, 1959, p. 866.

Reciprocal Trade. TIAS 4379. 27 pp. 15¢.
Agreement between the United States of America and Switzerland, amending agreement of January 9, 1936, as supplemented. Exchange of notes—Signed at Washington December 30, 1959. Entered into force January 1, 1960.

Air Force Mission to Venezuela. TIAS 4380. 3 pp. 5¢.
Agreement between the United States of America and Venezuela, amending agreement of January 16, 1953, as extended. Exchange of notes—Dated at Caracas March 31 and April 29, 1959. Entered into force April 29, 1959.

Naval Mission to Venezuela. TIAS 4382. 4 pp. 5¢.
Agreement between the United States of America and Venezuela, amending agreement of August 23, 1950, as extended. Exchange of notes—Signed at Caracas March 31 and April 29, 1959. Entered into force April 29, 1959.

Interchange of Patent Rights and Technical Information for Defense Purposes—Filing Classified Patent Applications. TIAS 4386. 15 pp. 10¢.
Agreement between the United States of America and France. Exchange of notes—Signed at Paris May 28 and July 10, 1959. Entered into force July 10, 1959.

Check List of Department of State Press Releases: March 14–20

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Release issued prior to March 14 which appears in this issue of the BULLETIN is No. 117 of March 11.

No.	Date	Subject
120	3/14	Five-power working paper on general disarmament.
*121	3/14	Visit of Brazilian Foreign Minister.
†122	3/14	Development Assistance Group communique.
123	3/14	Legation at Sofia opens (rewrite).
†124	3/15	Trade agreement consultation with Venezuela.
125	3/15	1960 GATT consultations on import restrictions.
126	3/15	Eaton: statement at Ten-Nation Disarmament Conference.
*127	3/16	Cultural exchange (Brazil).
†128	3/16	Polish officials visit U.S. (rewrite).
†129	3/17	Dillon: expansion of U.S. export trade.
130	3/17	Dillon: U.S. participation in IDA.
131	3/17	Herter to attend CENTO and NATO ministerial meetings.
132	3/17	Itinerary for Brazil Foreign Minister (rewrite).
133	3/17	Civil aviation talks with U.K.
134	3/18	Ambassador Bonsal returns to Cuba.
*135	3/18	Cultural exchange (Iran).
†136	3/18	Program for visit of Spanish Foreign Minister (rewrite).
137	3/19	Tracking station agreement with Spain.
†138	3/19	Herter: imprisonment of Bishop Walsh by Chinese Communists.
139	3/19	U.S.-Brazil joint communique.
140	3/19	Herter: 14th AHEPA national banquet.

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†Held for a later issue of the BULLETIN.

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A Summary Presentation

Proposed mutual security programs for fiscal year 1961 are outlined in this 125-page pamphlet prepared jointly by the Department of State, Department of Defense, International Cooperation Administration, and the Development Loan Fund. The booklet is a summary of the annual request for funds submitted to Congress for its consideration and includes the text of the President's message to Congress on the program.

Part I of the pamphlet reviews proposals for major aspects of the program, including military assistance, defense support, special assistance, the Development Loan Fund, technical cooperation, the contingency fund, and other programs. Part II discusses the program by regions. Part III deals with such related matters as free-world cooperation in assisting less developed areas, the surplus agricultural commodity program, stimulation of private investment in the less developed areas, and the impact of the Mutual Security Program on the U.S. economy.

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THE DEPARTMENT OF STATE

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OFFICIAL
WEEKLY RECORD
UNITED STATES
FOREIGN POLICY

THE DEPARTMENT OF STATE

Bulletin

Vol. XLII, No. 1085 • Publication 6973

April 11, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Secretary Herter's News Conference of March 25

Press release 155 dated March 25

Secretary Herter: I have no opening statement to make.

Q. Mr. Secretary, there have been reports of very substantial differences between the British Government and the United States Government on nuclear weapons testing policy. I wonder if you would assess the extent of those differences and also the prospects for the talks between Mr. Macmillan and President Eisenhower.

A. Yes, I would be glad to comment on that. There have been no exchanges of views between ourselves and the British since the Russian proposals were made.[1] We have each been studying them, and we will be engaged—the President and Mr. Macmillan will be engaged—in conversations next week to see how close their points of view are as a result of those studies.

Q. Mr. Secretary, my question concerns the Soviet proposal on nuclear tests. The proposal seems to have evoked a wide variety of assessments. Some people, including Senator [Clinton P.] Anderson, say it is a phony. Others see in it a moderation, possibly a concession. Do you incline to the latter view, and, if so, do you think that it offers some possibility of progress in this field?

[1] The Soviet Union on Mar. 19 expressed its willingness to reach agreement on the following basis:

Conclude a treaty halting all nuclear weapons tests in the atmosphere, the oceans, and cosmic space, and all underground tests of seismic magnitude 4.75 or more;

Agree to the U.S. proposal for the carrying out of a program of research and experimentation among the U.S., U.K., and U.S.S.R. with all parties to the treaty undertaking at the same time an obligation not to conduct any nuclear weapons tests during this period below the threshold of seismic magnitude 4.75.

President and Mr. Macmillan Discuss Nuclear Test Negotiations

Statement by James C. Hagerty
Press Secretary to the President

White House press release dated March 24

Following exchanges between President Eisenhower and Prime Minister Macmillan, the President has suggested that the Prime Minister should visit Washington to discuss with him the latest phase of the Geneva nuclear test negotiations. The Prime Minister will arrive on March 26th.

A. Well, I would be unwilling to characterize it in any very simple terms at the present moment. The offer, as I see it, recognizes for the first time that we are unwilling to put a ban on explosions which could not be detected and which are conducted underground. It suggests that a ban treaty be concluded which would cover all explosions including underground explosions up to the threshold which appeared in our proposal[2] and that there then be a moratorium on the underground tests below that threshold for what in effect seems to be an indefinite period of time, since 4 or 5 years has in one place been mentioned and then it has been suggested that that might be extended during further discussions as to what should be done next.

I might add that this recognizes for the first time what our scientists have been saying for over a year, that with present instrumentation there is no certain method of ascertaining whether an explosion or an earthquake below a certain level of magnitude is one or the other.[3] That factor is a

[2] BULLETIN of Feb. 29, 1960, p. 327.

[3] For background, see *ibid.*, Jan. 26, 1959, p. 118, and July 6, 1959, p. 16.

very important one. The other factor in connection with this has to do with continued investigation by scientific experts of better methods of detection. All I can add is what has been said at the White House, that this matter is under very close scrutiny by the administration.

U.S. Policy on Disarmament and Testing

Q. Mr. Secretary, can you accept a Soviet proposal or any proposal for a moratorium without first establishing whether or not the Russians are willing to accept an adequate number of on-site inspections of suspicious events?

A. Well, I would not want to be specific on any particular matter, but, as I say, there are a good many matters still unresolved with respect to a treaty within the threshold limitation, entirely aside from any question as to what should be done for those explosions below the threshold.

Q. Mr. Secretary, could you unilaterally—could this administration unilaterally agree to a moratorium and have this moratorium binding on the next administration from a legal point of view?

A. That is a legal matter that I would not want to give the answer to at this time.

Q. You haven't investigated it?

A. It is being looked into.

Q. Mr. Secretary, Trevor Gardner said this morning that he had asked the Department for information on the Soviet offer and he had been told that some parts of it were being kept secret by agreement with the Russians. Can you comment on that?

A. That is entirely incorrect. What happened was that the first cable we got on the offer was a very brief one. Mr. Wadsworth [Ambassador James J. Wadsworth, U.S. Representative at the Geneva Conference on the Discontinuance of Nuclear Weapons Tests] asked the Soviets for an amplification as to what was meant by it. We have received part of the answers, but we haven't received all of the answers yet. That is the correct situation.

Q. Mr. Secretary, as I understand general United States policy on disarmament, it is that we can't accept any agreement with the Russians either on disarmament in general or the test ban in particular without substantial inspection and control and that it is that point which gives us pause on the moratorium aspect of their proposal. But isn't the sincerity of that position gravely impaired by the fact that many people in the Pentagon and the AEC [Atomic Energy Commission] are pressing the President to renew tests?

A. I am not going to comment on any attitudes outside the Department. I can only speak for myself here. The first part of what you have said is entirely correct, that our differences, our major differences, to say nothing of minor differences, in setting up an inspection system always center around this question of adequate inspection. It is the same basic principle that has led to the failure of earlier disarmament conferences as well as the nuclear testing.

Q. What I was trying to get at, if I may just follow up on this, is the problem of the sincerity of our stand. Regardless of the merits of the differences of opinion within the administration, doesn't the fact that there are differences of this kind make it terribly difficult for us not to be questioned seriously in the sincerity of our overall stand?

A. I don't think so. I think whatever attitude, whatever position, the President takes in this matter will be one of complete sincerity.

Q. Mr. Secretary, do you think that it is possible to reach, if we decide that they are sincere, to reach some compromise on the two crucial questions of the term of the moratorium of somewhere between 4 and 5 years or 1 or 2 years and the question of on-site inspections as between the 20 we have suggested and the undetermined few that they have mentioned?

A. I would rather not speculate on what might be compromised and what might not at this stage of the game.

Q. Mr. Secretary, going to a more basic question, if I may, how would it be possible to accept or even seriously consider a Soviet proposal which calls for any cessation of testing on a basis of faith rather than insured inspection? Would that not itself be a violation of the position, the policy, you have stated many times?

A. It would. The question of a ban, a treaty ban, on that basis would.

Q. Mr. Secretary, then it follows, does it not, that the present Soviet proposal in its existing form is unacceptable?

A. I am not saying that it is completely unacceptable or completely acceptable. I say that it must be studied. I think you can gather from what I have said that there are parts of it that would not be acceptable.

Q. Mr. Secretary, a Princeton physicist has an article in "Foreign Affairs"[4] saying that the United States and Russia are on the verge of discovering a cheap H-bomb that cannot be detected at long distance. Now what I would like to ask is whether this has been taken into account, whether it is known to the Government and has been taken into account in the formulation of the proposal at Geneva.

A. The scientific community has been very freely consulted in all our deliberations.

Q. Mr. Secretary, the Chilean Government apparently has now decided to take the matter of partial disarmament in Latin America to the Organization of American States. The Chilean position was apparently strengthened by the recent border agreement with Argentina. Could you tell us what our attitude is toward a partial disarmament for Latin America.

A. We would be very glad to cooperate in any way. As you know, we have told the Chilean Government and the Peruvian Government that their initiative in this matter was a very welcome thing,[5] and we thought it was a desirable thing to pursue further. I might also add that it is very gratifying to see that the Chileans and the Argentinians have reached a method of finding a solution to their border difficulties.

Status of Planning for the Summit

Q. Mr. Secretary, there seems to be some difference of opinion about the question of the status of planning for the summit, partly as a result of your session the other day. I wondered if you could clarify just what you meant in answering this question on the status of planning today.

A. Yes. I think I ought to put my answer of the other day into the context of the questions as they were asked.[6] I was asked whether or not it would be desirable to have Senators accompany the President to the summit conference. I pointed out that it is often very desirable to have Members of the Senate accompany the President when the negotiation of a treaty or a specific agreement was envisaged but that I did not envisage anything of that kind being done at the summit itself, that there was no fixed agenda for the summit meeting.

When the question of planning is raised, that is a different matter. We have been having discussions with our allies on a contingency basis, so to speak, on questions that we think may be raised at the summit or that we might want to raise at the summit. Those conversations are still continuing at the working level. There will be at least two meetings of the Foreign Ministers before the summit and probably a third. The first one will be here beginning April 12; there will be another one in Istanbul at the end of the month; there will be another one in Paris before the summit; so that from the point of view of planning, insofar as one can plan without a fixed agenda, we are doing the planning.

Q. Mr. Secretary, would you say what you consider the proper role for the United States to be in helping Korea and Japan reach a settlement of their longstanding problems. You had remarks to make earlier on the desirability of this. Should we play a caretaker role or a good-offices role in seeing that this is brought about?

A. No. We have never at any time offered our good offices. We have expressed a great interest that the matter should be settled between the Koreans and the Japanese, and the news of the last few days is most encouraging in that respect.

Q. Mr. Secretary, are you satisfied with what we are doing to tell the American story to the Cuban people? In other words, are you asking that things be stepped up in terms of broadcasting or bringing the story to the Cuban people to counterattack the Castro government's propaganda?

A. Well, as you know, the Voice of America has resumed an hour of its program beamed to Latin

[4] Freeman J. Dyson, "The Future Development of Nuclear Weapons," *Foreign Affairs*, April 1960, p. 457.

[5] For a Department statement, see BULLETIN of Dec. 21, 1959, p. 907.

[6] Secretary Herter testified before the Senate Committee on Foreign Relations on Mar. 22. For text of his prepared statement, see p. 566.

America, and I think that is probably a good thing. The question of getting our story over to the Cuban people is like similar problems in other sections of the world. There is very little difference when there is a degree of control over the local press and over the local broadcasting system.

Q. That was my question. Are you planning to step it up? Are you planning to increase this program in any way?

A. We would go as far as we can within entirely proper means.

Q. Mr. Secretary, in answering an earlier question on the test ban business, you said it would violate your fundamental policy to have an agreement with the Russians on this test ban affair taking—involving a matter of good faith. Do you draw a distinction between a continuation of the unilateral moratorium which this country has given for the last 16 months or so, which might be continued for some further period, and writing such a moratorium into a treaty as the Russians are accepting?

A. I do draw a distinction.

Q. And did your reply earlier apply only to writing it into the treaty?

A. It certainly applies to writing it into a treaty. And it might well apply to a longer moratorium.

Q. That is the unresolved question, is it, as of now?

A. One of many.

Q. Mr. Secretary, could we assume that the falling off of diplomatic relations between the United States and Cuba is due exclusively to the method of economic compensation which is given to United States citizens for properties expropriated in the agrarian reform program, or are there other factors of equal importance?

A. I have tried to make it clear that insofar as the agrarian reform program is concerned this is entirely an internal matter within Cuba. Our quarrel is not with that. We have had some quarrels with regard to there being a lack of machinery for adequate, just, and prompt compensation, which is the usual international law governing the seizure of properties belonging to other peoples or the confiscation or expropriation of properties. I think our differences with Cuba have come about much more because of the very hostile attitude of the Cuban Government toward us, the remarks that they have made toward us, their indication of real hostility to the United States.

Q. Mr. Secretary, do you anticipate discussing with the Prime Minister any subjects other than nuclear test suspensions?

A. I don't know of any. Certainly no agenda has been fixed, and I don't know of any.

Q. Mr. Secretary, could you discuss with us the middle ground between accepting and turning down the Russian proposal on tests? Where does it lie? Does it lie in the area of getting some inspection below the threshold? Does it lie in getting international observers on suspicious events in the Soviet Union, such as explosions that they claim are nonnuclear and we don't know about? What is the middle ground?

A. May I say that insofar as the details of our negotiations are concerned, I have gone about as far as I can, because I think the time may come to talk to the Russians about that and we are going to be talking to Mr. Macmillan about it. And I would rather not speculate any further as to our position.

Talks With Brazilian Foreign Minister

Q. Mr. Secretary, following the talks with Foreign Minister [Horacio] Lafer of Brazil,[7] Brazilian officials indicated that the United States now appeared willing to press at the next GATT meeting that the Europeans might lower their duties and internal taxes on Latin American coffee shipments. Would you care to comment on that, sir?

A. Yes. I am not quite clear where that report came from. Mr. Lafer, during the course of economic discussions, indicated that one of the difficulties that they were having in connection with their European sales was the high duties that had to be paid on coffee, and that he hoped very much that in forthcoming economic talks they would have an opportunity of presenting a case so as to get that quite severe impediment to their sale of coffee removed.

[7] For background, see BULLETIN of Apr. 4, 1960, p. 52

Q. Well, sir, could you tell us whether we are ympathetic to that Brazilian position?

A. May I say I am not going to pick out any ne commodity. We are sympathetic to a posi-ion of freer trade all the way along the line.

Q. Mr. Secretary, do you expect that the Jnited States position on this nuclear test ban uestion within the U.S. Government itself will e resolved before the meetings with Mr. Macmil-an, or during them, or afterward? (Laughter)

A. I would say that in general our position is retty clear within the United States Govern-nent. Clearly, if we are going to discuss it with Ir. Macmillan, we are not going to announce it ntil after we have discussed with him his posi-ion, to see to what extent our two positions are econciled.

Q. Mr. Secretary, Israel ships and ships of ther nations carrying Israel goods still are barred rom transit through the Suez, despite the best fforts of the Secretary-General of the United Vations. Are you considering now taking some nitiative in persuading the United Arab Repub-ic to operate the Suez in accordance with inter-ational law?

A. No. I think that our position is the same s it has been right along. And I don't feel that he Secretary-General's efforts have been con-luded in this matter.

ituation in South Africa

Q. Mr. Secretary, the State Department earlier his week deplored the violence which resulted rom the police action in South Africa.[8] *And I hink the South Africans deplored your de-loring. (Laughter) But now the Asians—some Asian and African nations have asked the Security Council to put this on the agenda for consideration and action. Mr. [Henry Cabot] Lodge has said he will have a meeting soon. He is the chairman this time. Does the United States Government favor putting this on the agenda for discussion and action?*

A. Yes, the United States favors putting this on the agenda for discussion. This has been our policy with regard to *apartheid* for the last 5 years.[9] So that that is not a new position in any way. Ambassador Lodge will be chairman of the Security Council during the remainder of this month, and I understand that he expects to receive a letter from quite a large group of nations asking him to call the Security Council meeting at the earliest moment and that he is likely to receive that this afternoon. I presume that he will be calling such a meeting in the comparatively near future.

Q. Mr. Secretary, to clarify an answer you just gave about nuclear test bans, did I understand you to say that the United States Government has agreed upon a position or an answer to the Soviet proposal on nuclear test bans, which you will discuss with Mr. Macmillan when he comes here?

A. I would say that we were in agreement on a position ourselves but that we will probably not convey it to the Russian Government until we have had a chance to talk to Mr. Macmillan.

Q. Mr. Secretary, does it follow from your answer on the African situation that the United States would not oppose the putting onto the United Nations agenda of a situation, should it occur within the United States, similar to the kind of situation which this Government protested in South Africa?

A. May I point out that the situation, if it arose in the United States, would be likely to arise from an entirely different cause. In the United States we are doing everything we can to defend the rights of minorities. This is a matter that has been a subject of considerable discussion in our Congress quite recently. I think that the other

[8] On Mar. 22, in response to a query from a news correspondent, Lincoln White, Director of the Office of News, made the following statement:

"The United States deplores violence in all its forms and hopes that the African people of South Africa will be able to obtain redress for legitimate grievances by peaceful means. While the United States, as a matter of practice, does not ordinarily comment on the internal affairs of governments with which it enjoys normal relations, it cannot help but regret the tragic loss of life resulting from the measures taken against the demonstrators in South Africa."

[9] For a statement made in the U.N. Special Political Committee by Harold Riegelman, U.S. Representative to the General Assembly, see BULLETIN of Dec. 28, 1959, p. 948.

nations of the world are convinced that this is our attitude, that we are trying to do this. That is an entirely different situation from that which has developed with respect to *apartheid*, where a very different situation prevails.

Q. Mr. Secretary, referring again to the United Nations, has this Government replied as yet to Mr. Hammarskjold's query about the request of the 22 Afro-Asian members for a special General Assembly session on the Sahara testing situation?

A. No, we have not replied to it. As far as I know, very few nations have replied to it.

Q. Are you prepared to say anything about our position on this question as of now?

A. No.

Q. Mr. Secretary, I understand that we have been investigating the two Americans who are being held in Cuba for having been apprehended in the latest plane incident. Can you give us what you know about the background of those men?

A. No. I think until that investigation has been completed—and, incidentally, the Cuban authorities, I think, are assisting in that investigation—I prefer to say nothing.

Q. Mr. Secretary, does the U.S. position on testing accept the conclusion of the Berkner report that 3 years would be required to perfect a detection system? [10]

A. I don't think it necessarily precludes any period for that.

Q. Mr. Secretary, in your answer to my previous question, did I understand you correctly that you believed that action will be successful through the U.N. in opening up the Suez?

A. I can't say that I believe it will be successful. I have repeated many times that I think this is the avenue that is most likely to lead to success and we are supporting Mr. Hammarskjold in his efforts.

Mr. Khrushchev's Visit to France

Q. Mr. Secretary, there has been quite a bit of attention recently to Mr. Khrushchev's so-called warnings in his French visit about the dangers of revived militarism in West Germany and so on. Have you given any thought to why he would be stressing this point at this time?

A. I would rather not speculate on the things that he is now saying in France. The conversations are now going on between himself and De Gaulle, and I think that probably there will be time enough for that after he has concluded his visit.

Q. Mr. Secretary, the former Secretary of State, Mr. Acheson, made a remark today to the effect that there is total lack of leadership in foreign affairs in the administration. I wondered if you would care to respond to that.

A. I will respond to it only that this is Mr. Acheson's own view. He is entitled to his own view. I don't agree with him.

Q. Mr. Secretary, the other day before the Senate Foreign Relations Committee you said the summit conference coming up would be a gamble. Do you think that Mr. Macmillan is worried about this? Does he want to talk this over?

A. I have no idea whether he will be raising that question or not.

Q. Do you think the British are worried about that position or your estimate of it?

A. I don't know. I would think perhaps "gamble" is the wrong adjective to use. If one says it's uncertain as to outcome, it's perhaps a better definition, and I think Mr. Macmillan would probably agree with that.

Problem of Berlin

Q. Mr. Secretary, according to United Press dispatches, Mayor Willy Brandt of Berlin believes that Berlin is actually a minor world problem and useless as a key for solving basic issues which divide the East and West. He said the problem of Berlin was a symptom rather than a cause of the cold war and it indicated that more vital problems should be the concern of the nations that will be meeting at the summit. Would you care to comment on his appraisal?

A. Well, we have always taken the position that Berlin should be considered in the context of

[10] For background, see *ibid.*, July 6, 1959, p. 16.

he whole German problem, which means the future of East Germany. We have never minimized t as being a problem. It's a real problem. As you know, Chancellor Adenauer has also taken the position that disarmament is the key and most mportant problem and ought to be given priority n any discussions. I don't think we are necessarily weighing them one way or the other. We xpect that probably both of these problems will ome up for discussion, and they are both very mportant and serious problems.

Q. Mr. Secretary, in that connection, the Chancellor suggested, when he was here, a plebiscite in West Berlin before the summit meeting. What do you think of this idea?

A. Well, as you know, that proposal came rather as a surprise to us. We feel that it's essentially a matter for the people of Berlin themselves and their local government to make a determination on.

Q. Mr. Secretary, I'm asking this question in behalf of the Cuban newsmen who are here. They want to know whether—it has been said, or at least there is some information, that there is some labor difficulty in the naval base in Guantanamo Bay in Cuba. Now, does the United States contemplate any further, any action on that matter—since it's international?

A. No official representations have been made o us of any kind on this matter. A few days ago our individual labor leaders asked Mr. Bonsal Philip W. Bonsal, U.S. Ambassador to Cuba] f they could talk this matter over with him. He aid that this was entirely a matter of local administration, that if they wanted to talk the matter over they should talk it over with the Navy administration at Guantanamo. Yesterday the Cuban Secretary of Labor indicated that the abor on the base should come under the general abor jurisdiction in the mainland of Cuba. As ar as I know, however, no official representation as been made to us on that matter. Those have nly been statements that have been made.

ugar Legislation

Q. Mr. Secretary, Brazilian sugar interests, which now have no quota at all, are eager to get not part of the Cuban basic quota but to come in on some of the shortfall or annual increment in the United States market. And there is some sympathy for this position up on the Hill. Would the administration be prepared to go along with amendments to the act if these were suggested by Congress?

A. Well, as you know, the administration bill makes no changes in the quota. We had hoped to get this matter up last year before Congress, because if you're going to have any changes of quota you have got a lot of pulling and hauling that goes on for a very considerable period of time. I'm hopeful that in this session of the Congress some legislation will be enacted. If they begin *de novo*, opening up the whole quota question and its distribution among countries, I'm afraid it will be a very long-drawn-out affair, and, of course, we are entirely dependent on the Congress, which has to take the initiative in this matter because of the expiration of the act at the end of December.

Q. Mr. Secretary, I get the impression from your previous answers that we don't know much about what Prime Minister Macmillan is going to advance when he gets here. You say there will be some exchange of views on the last Soviet test offer, and you don't know what else he is going to talk about. Is that a correct impression?

A. That is entirely a correct impression. I think they have been studying the matter, and we have been studying the matter, and we are going to exchange views about it.

Q. How does it come about then that the President has invited him to come?

A. That I can't tell. It's an exchange between the two of them.

Q. Thank you, sir.

Letters of Credence

Iran

The newly appointed Ambassador of Iran, Ardeshir Zahedi, presented his credentials to President Eisenhower on March 23. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 147 dated March 23.

United States Releases Document Defining Special Status of Berlin

The Department of State released on March 24 (press release 152) a photographic copy of the original English and Russian texts of the agreement between the Soviet Union, the United Kingdom, and the United States concerning the areas which their respective military forces would occupy in Germany. Following is a Department statement and the English text of the agreement.

DEPARTMENT STATEMENT

During recent months it has been evident that representatives of the East German regime have been endeavoring to implant through various propaganda means the notion that Berlin is "part of" or "on" the territory of the zone of occupation allocated to the Soviet Union and hence "part of" or "on" territory of the regime in Eastern Germany.[1]

Since the matter of the nature and definition of the areas of Germany to be occupied by the Allied Powers has thus been made a matter of public issue, there is released herewith a photographic reproduction of the original English and Russian [2] texts of the agreement between the United States, United Kingdom, and the U.S.S.R. concerning the areas which their respective military forces would occupy in Germany. The documents make clear that the Berlin area was not "part of" or "on" the territory to be occupied by any of the powers under the agreement. Rather, the agreement clearly indicates that Berlin was designated as a separate area to be jointly occupied. The Allied military forces have remained in Berlin without relinquishing the rights derived from the military defeat of Nazi Germany. There is, therefore, no basis for suggesting that Berlin has somehow been mysteriously merged with or placed on the territory of one of the occupation powers.

The documents and accompanying map [3] were signed in London by John G. Winant for the United States, by Sir William Strang for the United Kingdom, and by F. T. Gousev for the Soviet Union.

(NOTE: Blanks in paragraphs of the agreement describing two zones and two sectors were filled in with "United Kingdom" and "United States of America" on November 14, 1944. On July 26, 1945, the agreement was amended to include the French Republic. The American and British sectors of Berlin and zones in Western Germany were subdivided to provide appropriate areas for French forces. Neither action affected sector or zonal boundaries between Western and Soviet areas.)

TEXT OF 1944 AGREEMENT

PROTOCOL

between the Governments of the United States of America, the United Kingdom, and the Union of Soviet Socialist Republics, on the zones of occupation in Germany and the administration of "Greater Berlin".

——oOo——

The Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the Union of Soviet Socialist Republics have reached the following agreement with regard to the execution of Article 11 of the Instrument of Unconditional Surrender of Germany:–

1. Germany, within her frontiers as they were on the 31st December, 1937, will, for the purposes of occupation, be divided into three zones, one of which will be allotted to each of the three Powers, and a special Berlin area, which will be under joint occupation by the three Powers.

2. The boundaries of the three zones and of the Berlin area, and the allocation of the three zones as between the U.S.A., the U.K. and the U.S.S.R. will be as follows:–

Eastern Zone (as shewn on the annexed map "A") — The territory of Germany (including the province of East Prussia) situated to the East of a line drawn from the point of Lübeck Bay where the frontier of Schleswig-Holstein and Mecklenburg meet, along the western frontier of Mecklenburg to the frontier of the province of Hanover, thence, along the eastern frontier of Hanover, to the frontier of Brunswick; thence along the western frontier of the Prussian province of Saxony to the

[1] For background on the problem of Berlin and the question of the rights of the Allied Powers, see BULLETIN of Aug. 24, 1959, p. 265.

[2] Not printed here.

[3] Not printed here; copies of the map are available upon request from the Office of Public Services, Department of State, Washington 25, D.C.

western frontier of Anhalt; thence along the western frontier of Anhalt; thence along the western frontier of the Prussian province of Saxony and the western frontier of Thuringia to where the latter meets the Bavarian frontier; thence eastwards along the northern frontier of Bavaria to the 1937 Czechoslovakian frontier, will be occupied by armed forces of the U.S.S.R., with the exception of the Berlin area, for which a special system of occupation is provided below.

North-Western Zone (as shewn on the annexed map "A")

The territory of Germany situated to the west of the line defined above, and bounded on the south by a line drawn from the point where the western frontier of Thuringia meets the frontier of Bavaria; thence westwards along the southern frontiers of the Prussian provinces of Hessen-Nassau and Rheinprovinz to where the latter meets the frontier of France will be occupied by armed forces of . . . . . .

South-Western Zone (as shewn on the annexed map "A")

All the remaining territory of Western Germany situated to the south of the line defined in the description of the North-Western Zone will be occupied by armed forces of . . . . . .

The frontiers of States (Länder) and Provinces within Germany, referred to in the foregoing descriptions of the zones, are those which existed after the coming into effect of the decree of 25th June, 1941 (published in the Reichsgesetzblatt, Part I, No. 72, 3rd July, 1941).

Berlin Area (as shewn on the annexed 4 sheets of map "B")

The Berlin area (by which expression is understood the territory of "Greater Berlin" as defined by the Law of the 27th April, 1920) will be jointly occupied by armed forces of the U.S.A., U.K., and U.S.S.R., assigned by the respective Commanders-in-Chief. For this purpose the territory of "Greater Berlin" will be divided into the following three parts:—

North-Eastern part of "Greater Berlin" (districts of Pankow, Prenzlauerberg, Mitte, Weissensee, Friedrichshain, Lichtenberg, Treptow, Köpenick) will be occupied by the forces of the U.S.S.R.:

North-Western part of "Greater Berlin" (districts of Reinickendorf, Wedding, Tiergarten, Charlottenburg, Spandau, Wilmersdorf) will be occupied by the forces of . . . . . .

Southern part of "Greater Berlin" (districts of Zehlendorf, Steglitz, Schöneberg, Kreuzberg, Tempelhof, Neukölln) will be occupied by the forces of . . . . . .

The boundaries of districts within "Greater Berlin", referred to in the foregoing descriptions, are those which existed after the coming into effect of the decree published on 27th March, 1938 (Amtsblatt der Reichshauptstadt Berlin No. 13 of 27th March, 1938, page 215).

3. The occupying forces in each of the three zones into which Germany is divided will be under a Commander-in-Chief designated by the Government of the country whose forces occupy that zone.

4. Each of the three Powers may, at its discretion, include among the forces assigned to occupation duties under the command of its Commander-in-Chief, auxiliary contingents from the forces of any other Allied Power which has participated in military operations against Germany.

5. An Inter-Allied Governing Authority (Komendatura) consisting of three Commandants, appointed by their respective Commanders-in-Chief, will be established to direct jointly the administration of the "Greater Berlin" Area.

6. This Protocol has been drawn up in triplicate in the English and Russian languages. Both texts are authentic. The Protocol will come into force on the signature by Germany of the Instrument of Unconditional Surrender.

The above text of the Protocol between the Governments of the United States of America, the United Kingdom and the Union of Soviet Socialist Republics, on the zones of occupation in Germany and the administration of "Greater Berlin" has been prepared and unanimously adopted by the European Advisory Commission at a meeting held on 12th September, 1944, with the exception of the allocation of the North-Western and

South-Western zones of occupation in Germany and the North-Western and Southern parts of "Greater Berlin", which requires further consideration and joint agreement by the Governments of the U.S.A., U.K. and U.S.S.R.

LANCASTER HOUSE,
London, S.W. 1.
12th September, 1944.

Representative of the Government of the U.S.A. on the European Advisory Commission:

JOHN G. WINANT

Representative of the Government of the U.K. on the European Advisory Commission:

WILLIAM STRANG

Representative of the Government of the U.S.S.R. on the European Advisory Commission:

F. T. GOUSEV

President To Visit Portugal

White House press release dated March 17

The White House announced on March 17 that President Eisenhower has accepted an invitation from the President of the Portuguese Republic, Americo Rodrigues Tomas, to visit Portugal. The President's stopover in Lisbon, during which he will be the guest of the President of Portugal, will take place on his return trip from the summit meeting, which opens at Paris on May 16.

U.S. Protests Imprisonment of Bishop Walsh

STATEMENT BY SECRETARY HERTER

Press release 138 dated March 18

It is with the deepest regret that I have learned of the sentencing of Bishop [James Edward] Walsh to 20 years' imprisonment by a Chinese Communist court in Shanghai. Bishop Walsh served the Chinese people for 30 years. The charges that he also served in any way as an American spy are totally false. His sentencing is inexcusable.

I find it difficult to emphasize sufficiently the revulsion that I, personally, and the United States Government feel today. I am instructing our Ambassador at Warsaw to lodge the strongest possible protest with the representative of the Chinese Communist regime at their next meeting, Tuesday, March 22.

I am certain that the rest of the world will join me in condemning this action taken against an innocent citizen of the United States and a distinguished member of the Catholic clergy. His only mission was religious, and his personal devotion to the spiritual welfare of his fellow Catholics was so deep as to compel him to remain on the Chinese mainland despite the persecution of his church by a godless regime.

DEPARTMENT STATEMENT

Press release 144 dated March 22

Ambassador Jacob D. Beam in today's meeting [March 22] at Warsaw with Chinese Communist Ambassador Wang Ping-nan strongly protested the trial and sentencing on March 18 of Bishop James Edward Walsh of the Maryknoll Fathers to 20 years' imprisonment for alleged espionage. He told Ambassador Wang that the accusation that Bishop Walsh was a spy for the United States Government was totally false and that the Government and people of the United States felt deep revulsion and indignation at this inexcusable act.

Ambassador Wang attempted to defend the Communist actions by repeating charges of espionage which had already been broadcast by the Chinese Communist official news agency. Characterizing these charges as a tissue of falsehood, Ambassador Beam accused the Chinese Communists of showing complete indifference to humanitarian principles and callous disregard of the universally accepted standards of international law and behavior among civilized nations. He pointed out that for 17 months the Chinese Communist regime had held Bishop Walsh incommunicado, refusing repeated requests made at the Warsaw meetings for information concerning his health and the details of the charges against him. Ambassador Beam described the treatment of Bishop Walsh as one more step in the systematic persecution of religion in Communist China.

Polish Deputy Prime Minister Visits United States

The Department of State announced on March 16 (press release 128) that Piotr Jaroszewicz, Deputy Prime Minister of Poland, accompanied by Stanislaw Miernik, Vice Minister in the Polish Ministry of Chemical Industry, Bohdan Lewandowski, Deputy Director in the Polish Ministry of Foreign Affairs, and Bohdan Suchowiak, Director of the Central Board of Heavy Machinery Construction, was scheduled to arrive in the United States March 23. The group came on the invitation of the U.S. Government under the leader program of the International Educational Exchange Service, Department of State.

The group will spend approximately 2 weeks in the United States. They will meet with high U.S. officials in Washington and will travel to various parts of the country. Their travel will include visits to a number of manufacturing plants illustrative of America's industrial economy.

Secretary Gates Answers Questions on National Defense

Following are the replies of Secretary of Defense Thomas S. Gates to questions on national defense submitted by the television newsreels. They were filmed on March 10 and released later the same day.

Q. Some critics of our defense program say the administration is gambling with our very survival by limiting defense spending. Are you personally satisfied that this country now has the necessary arsenal to deter a possible aggressor, and will we continue to have it in the years to come?

A. Nobody is gambling with our survival. We and our critics are one in our determination to maintain a first-class defense. The objective is to provide proper defense most efficiently and without waste.

The U.S. today has such great military power and long-range striking capability that no nation or combination of nations could afford to attack us. This judgment is based upon the known state of our own forces and an assessment of the existing U.S.S.R. forces. I have heard little disagreement with this evaluation.

Critics of the program generally question whether our deterrent will continue to be effective in the future. If we were to remain static without improving our military strength for several years, I do not doubt that the U.S.S.R. could seriously challenge us. However, we are continually improving our military posture. New weapons systems are being added to the Strategic Air Command, and this effectiveness is being improved. Hound Dog air-to-ground missile is an example. Polaris-carrying nuclear submarines, with their inherent mobility and concealment, are being built. The Atlas missile is being deployed, and the Titan and Minuteman missiles are progressing rapidly in their development. A missile early-warning-system, BMEWS, will soon begin its operation. Thor and Jupiter missiles are being deployed to our allies, our deployed Army, Navy, Air Force, and Marine Corps, and their readiness wherever located plus our planned strategic-weapons systems insure that there is and will be no deterrent gap.

The Nation's Defenses

Q. Could we improve the Nation's defenses by adding a couple of billion dollars to the budget?

A. The U.S. must be prepared for both general and limited war. The best judgment of those of us who are planning for the defense of our country, including the President of the United States, is that at this time our present program provides the amount of military power required for national security. New developments can change this picture at any time, and I will never hesitate to recommend increases when events warrant, either a change in the threat or a technological breakthrough on our part.

Q. Could a sneak attack of 150 Russian ICBM's and 150 IRBM's destroy our ability to counterattack?

A. This arithmetic has been used in discussing strictly hypothetical situations. I would say that any implication that our total deterrent strength would ever be so vulnerable is unrealistic.

This hypothesis was based upon a number of assumptions:

1. It assumes that our strategic retaliatory

forces would all be located at 100 unprotected fixed bases at whatever time in the future the Russians had the prescribed number of missiles and that the Russians would know exactly where each of these bases was.

2. It assumes that they could prepare to launch all these missiles—in other words, go to war—without any intelligence of this being acquired by the free world.

3. It assumes that they could get off all of these complex missiles with such success on launching and such accuracy on arrival that they would land on targets simultaneously in many parts of the world—with no warning.

The hypothesis ignores among other factors the uncertainties of warning, accuracy, reliability, and salvo capabilities—and the state of our forces at any given hour. Moreover, it ignores the Polaris submarines, which we will begin to deploy this fall, each equipped with 16 nuclear missiles, the nuclear punch of our Navy carrier aircraft deployed at sea, and Air Force deployed fighter bombers. It ignores the development of the missile early-warning system. We will have some of this warning capability this fall. It also ignores our capability to institute airborne alert. We have no intention of permitting our deterrent strength to decline to such a position where the U.S.S.R. could even contemplate such action.

Q. Should we have a 24-hour airborne alert of SAC bombers?

A. A considerable portion of our strategic bombers are held in a position of ground alert—able to take off on 15 minutes' warning. This would provide an adequate measure of immunity from surprise attack in the face of the current airborne threat. The danger of attack without warning will increase as missiles become available. We must be ready to adjust to it in order to maintain our deterrent ability.

One action we could take would be to keep a sizable number of bombers continuously airborne at such times as the Joint Chiefs of Staff see a need for such action. Some $140 million has been provided to prepare for this alert capability this year and $90 million more is in the new budget. Additional money would be made available if needed. The Joint Chiefs of Staff confirm that there is no need for an airborne alert at this time.

Q. The Army has urged more money for the Nike-Zeus antimissile program. Will this be granted, and what is the general status of this weapon?

A. The Nike-Zeus has promise as an antimissile system. We do not want to start a production program on a point defense system totaling many billions of dollars without greater confidence that it can contribute some solution to the missile defense problem. Several exhaustive detailed studies have been undertaken and a full-scale test arranged, costing several hundred million.

These studies provide only partial answers to certain significant doubts about this system. Definitive information will be obtained from the test program.

The need for better answers is the reason production of Nike-Zeus was not authorized by the Department of Defense at this time.

This is not to be construed as a criticism of Nike-Zeus. The Army and its contractors are to be commended for their effective exploitation of the most difficult scientific and engineering techniques inherent in this weapons system.

We intend to continue research, development and test at high priority.

U.S. Military Assistance Program

Q. Will you give us your views as to the necessity of our foreign military aid?

A. The tremendous military might of the Sino Soviet bloc requires free-world military forces strong enough to deter aggression. No nation can alone maintain these forces. Contributions to the common defense are required by every member nation in free-world alliances. Our military assistance is the cement for these alliances. We provide the equipment and training which the countries cannot provide for themselves. The military assistance program makes possible the maintenance of adequate common defense.

I know of no more forceful way to emphasize this than to cite the Joint Chiefs of Staff, who said that they would not want one dollar added to the Defense budget for 1961 if that dollar had to come out of our recommended military assistance program.

Q. What will recipients of military aid contribute toward the security of the free world?

A. The benefits which we receive from military

assistance to over 40 free-world allies fall into two major categories. The first is made up of all that those allies contribute to the forward force which is an integral part of our total strategy. The armies of the countries to which we are giving aid have increased from 3½ million to 5 million; their navies have increased from about 1,200 to 1,800 combatant ships; their air forces have increased from about 17,000 to over 25,000 airplanes, about half of which are jet; and all of these forces are now better trained and better equipped.

The second benefit is what our allies contribute to the deployment of our own forward forces in overseas bases and forces to protect them. Without access to our installations abroad, our own deterrent power could be seriously weakened.

As our allies grow in military and economic strength, they contribute more to the collective effort. For example, Germany, the United Kingdom, and Canada are bearing the entire cost of their contribution to the defense of the North Atlantic Treaty area and of the free world. They also are furnishing military aid to other countries.

Other countries have joined with us in bearing the cost of defense. Cost-sharing arrangements for the production of missiles have been concluded in the European area, and negotiations continue concerning the joint production of modern aircraft and naval vessels.

Q. Serious questions have been raised about our intelligence estimates and why certain information did not go in to the Chairman of the Joint Chiefs. Can you clarify this?

A. Neither General [Nathan F.] Twining nor I has been deprived of essential elements of intelligence, nor do I believe that our testimony indicates that we have been deprived of such essential elements.

Knowledge available this year made it possible to introduce an additional factor in preparing the National Intelligence Estimate concerning Soviet ICBM's. In this year's estimates the intelligence community therefore presented one set of figures regarding numbers of Soviet ICBM's which reflected this factor.

The CIA [Central Intelligence Agency] recently prepared for Congress a chart that applied this factor to the figures of a year ago. General Twining said he had not seen this chart. There was no reason why he or I should have seen it, since it represented merely the application of this additional factor to last year's figure for comparative purposes alone and did not in any way alter the NIE for last year.

The flow of intelligence information and its assessment by the intelligence experts is a continuous process. General Twining and I are kept constantly informed on important developments in this area.

The intelligence community of this Government has a solid record of seeking and interpreting the facts without fear or favor.

U.S. To Send Grain to Lebanon

Press release 154 dated March 24

The Department of State announced on March 24 that the United States will send 20,000 tons of wheat and feed grains to Lebanon to alleviate shortages which have resulted from drought and insect infestation.

The grain will be provided by the International Cooperation Administration under emergency provisions of title II, Public Law 480, the Agricultural Trade Development and Assistance Act. ICA is now making arrangements to ship the grain to Lebanon at the earliest possible time.

Trade Talks With Venezuela

Press release 124 dated March 15

U.S. representatives will begin consultations with the Government of Venezuela on March 22 to study the effect of certain import restrictions recently imposed by the Government of Venezuela on traditional U.S. export trade with that country. These consultations will be held at Caracas and have been requested by the United States under the provisions of article XVII of the bilateral trade agreement.[1] The restrictive measures date, for the most part, from July and November 1959 and affect, among other things, cigarettes, wheat flour, automobiles, cameras, canned food products, copper cable, and numerous luxury and semiluxury type goods. Similar restrictions applying to imports of radios, phonographs, and television receivers have recently been lifted.

These consultations do not involve any revision or modification of the existing bilateral trade agreement.

[1] 54 Stat. 2375; Treaties and Other International Acts Series 2565.

U.S. Announces National Program for Expansion of Export Trade

On March 17, in a special message to the Congress, President Eisenhower announced a national program to promote an increase in the volume of United States exports. Following is the text of the President's message and statements made on March 17 at a press conference at the Department of Commerce by Under Secretary of State Douglas Dillon and Under Secretary of Commerce Philip A. Ray, together with the report of the Interagency Export Promotion Task Force.

PRESIDENT'S MESSAGE TO CONGRESS [1]

To the Congress of the United States:

Because increased exports are important to the United States at this time, the administration has developed a program to promote the growth of our export trade. While most of the public steps to be taken with this end in view can be accomplished under existing legislative authority, the cooperation and support of the Congress are vital to the success of this program.

Expanded exports can add substantially to the millions of jobs already generated for our people by export trade. At the same time, our export surplus contributes significantly to our capacity to sustain our expenditures abroad for investment, private travel, maintenance of U.S. military forces, and programs of foreign economic cooperation. To support these essential activities, which are reflected in our international balance of payments, we must, as I pointed out in my state of the Union message,[2] promote a rising volume of exports and world trade.

Unlike the sellers' markets of early postwar years, when productive capacity abroad was limited, world markets have recently become highly competitive. To expand exports in these circumstances demands a more vigorous effort by both Government and business to improve our capacity for international competition.

Through the trade agreements program we shall continue to work with other countries toward the removal of unnecessary obstacles to international trade and payments. The discriminatory restrictions that other countries imposed at a time when they had serious balance-of-payments difficulties have been especially burdensome to our exports. Economic improvement in many countries has removed the justification for such barriers and, with the assistance of the General Agreement on Tariffs and Trade and the International Monetary Fund, much has been accomplished in eliminating those restrictions. We shall continue to seek the elimination of the discriminatory restrictions that still remain; we shall also continue to seek the general reduction of quantitative controls.

To assist our exporters to meet current international competition in export financing arrangements, the Export-Import Bank will inaugurate a new program of guarantees of noncommercial risks for short-term export credits. The Bank will also expand and improve its existing credit facilities for medium-term export transactions. These steps, which can be taken under existing statutory authority, should improve the ability of our exporters to compete in world markets. These arrangements will be designed and administered to encourage full participation of commerical banks and other private sources of credit and guarantees.

To help our exporters in the development of their foreign sales, we should improve the numerous Government services now available to business firms and especially useful to our smaller producers. These services have been available all along, but we must infuse them with a new purpose and strengthen them with additional resources. Accordingly, I have directed comprehensive steps—

[1] H. Doc. 359, 86th Cong., 2d sess.; transmitted on Mar. 17.

[2] BULLETIN of Jan. 25, 1960, p. 111.

To strengthen the trade promotion services of the Department of Commerce, including its field offices located throughout the United States;

To expand and give higher priority to the commercial activities of the Foreign Service;

To expand the agricultural trade promotion activities of the Department of Agriculture;

To place greater emphasis on the prompt reporting of information useful to American exporters;

To establish new overseas trade centers;

To make fuller use of international trade fairs, trade missions, and other promotional means to stimulate the interest of foreign buyers in U.S. products while continuing to emphasize the basic objectives of the special program for international understanding; and

To emphasize the promotion of tourist travel to the United States.

The details of this program will be presented during the congressional hearings soon to be held on the expansion of U.S. trade and in connection with a forthcoming request for the supplemental appropriations necessary for rapid progress in the export promotion program. Government promotion, however, can be effective only to the extent that it stimulates and encourages private business efforts to expand sales abroad. Government can help enlarge export opportunities, but it is American business that must supply and sell the goods that world markets demand.

To this end I have asked the Secretary of Commerce, in cooperation with other department heads, to enlist the efforts of the business community. Consultations have already been held in connection with the preparation of this program. In addition, a group of business leaders will be asked to organize an export drive by business, to enlist the active support of existing national and local business groups, to discover the sectors in which better results can be obtained, to assist and encourage businessmen newly entering the export field, to strengthen contacts with business groups abroad, and to develop an organization structure adequate to these purposes.

The individual steps in this export program are modest ones. Their cumulative effect, however, will be substantial if American enterprise will make the necessary effort. With the support of the Congress, this Government can both facilitate and give continued impetus to the expansion of our exports as free world economic progress continues to enlarge the potential for international trade. The rising tide of productivity and prosperity in many nations creates a timely opportunity for mutual benefits from expanding world trade. By pursuing this opportunity, we can promote vigorous economic growth both at home and abroad.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
March 17, 1960.

STATEMENT BY UNDER SECRETARY DILLON

Press release 129 dated March 17

Until very recently we have not felt that our foreign policy, the forwarding of our worldwide interests, carried with it a requirement for greatly increased efforts to maximize our exports. Today the situation is quite different. A substantial export surplus is now vitally important in the national interest. It is for this reason in particular that we in the Department of State are joining wholeheartedly with our friends and associates in the Department of Commerce in a common effort to stimulate and increase our exports.

Today any businessman who works to sell American-made products abroad should know that he is contributing directly and importantly to the national interest and the national good. Because of this we have no hesitation in asking the full support of American business in this effort. Once the situation is fully understood we are confident that business will respond to the very best of its abilities.

The maintenance of substantial American military forces abroad and the continued operation of our economic foreign aid programs are essential to our national security. Both of these are an absolute necessity today if stability and progress are to be maintained in the free world. Both of these require for their proper fulfillment a continued and substantial United States export surplus.

In the years immediately following the war there was no problem about exports because we were the only large-scale producers and our sales were limited only by the availability of dollars in other countries. Today the industrialized free world has recovered. Our friends in Europe and

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Japan provide strong competition for our efforts. In some areas their prices are much lower than ours; in many others this is not the case. But they work day and night to increase their exports. This is the normal situation for an industrialized country such as ours. The time has come for us to give exports the same sort of priority and attention as others do. In addition, of course, we must also consider that we are faced by an increasing aggressiveness on the part of international communism in the field of foreign trade.

In the field of trade, during the past year, our friends and allies dismantled their barriers against dollar imports to a considerable degree. This trend is continuing, and by the end of this year quota discriminations against dollar imports should be almost a thing of the past. This opens up substantial opportunities for additional exports. But the day is past when our goods will simply sell themselves. Both Government and business must make additional efforts if we are to obtain the beneficial results which are promised by the ending of dollar discrimination.

We can be confident that other countries are working with us today in this great effort. We no longer stand alone. But unless we as a nation reestablish and maintain a substantial export surplus, we will find it extremely difficult to continue the efforts we must make to keep the free world free—efforts, mind you, that are essential to our own freedom. Today, as never before, we need to increase our exports not solely for commercial reasons but as a means of retaining our position as a leader of the free world. Our goods sold abroad not only act as ambassadors of the American way of life but will do yeoman service in helping us to meet the political, military, and economic challenges that lie ahead. This is a task for American private business; we in Government intend to do everything possible to help.

STATEMENT BY MR. RAY[3]

A national program to promote an increase in the volume of United States exports was announced by the President in a special message to the Congress today.

A rising tide of prosperity abroad has created new opportunities for the sale of American goods. The President's message initiates new action by the executive branch—especially the Departments of State and Commerce and the Export-Import Bank—in a series of coordinated measures to improve and expand Government services to private industry in the development of world trade and to enlist increasing cooperation between Government and business in finding new markets overseas.

We expect the program will stimulate more production, more sales, more jobs, and more impetus to economic growth. Our exports also should help raise the level of living of our foreign customers.

Characteristics of the program include high priority in Government policy henceforth to be given to export expansion, a higher plateau of interest and activity by respective Government agencies, and a broader participation in export promotion by private enterprise on a sustained basis.

Government can assist—and will assist more than ever—but in the last analysis, business itself must make and sell the goods.

The program is the result of several months of intensive survey and study by the executive branch of current trade problems and foreign trade opportunities.

Reports and suggestions were received from authorities on trade in the private sector and from Government officials at home and abroad. From preliminary research stemmed the establishment of an Interagency Export Promotion Task Force, which continued studies and consultations with private and governmental experts and recommended specific plans for a step-by-step program to increase United States export sales. Detailed research and proposals for the task force also were developed by an Interagency Steering Committee.

The interagency task force, under whose direction the program was developed, consists of the following members: Under Secretary of Commerce, chairman; Under Secretary of State; Under Secretary of the Treasury; Director of the Bureau of the Budget; Chairman of the Council of Economic Advisers; Chairman of the Council on Foreign Economic Policy; and President of the Export-Import Bank.

Its recommendations have been accepted by the pertinent executive branch agencies, and they now are the basis for the national export expansion program, which the President announced today.

[3] Mr. Ray is chairman of the Interagency Export Promotion Task Force.

REPORT OF INTERAGENCY EXPORT PROMOTION TASK FORCE

A National Program To Expand United States Exports

The program is the result of several months intensive survey and study by the Executive Branch of current trade problems and attractive overseas sales opportunities. Reports and suggestions were received from authorities on trade in the private sector and from government officials at home and abroad.

The Interagency Task Force under whose direction the program was developed consists of the following members: Under Secretary of Commerce, Chairman; Director of the Bureau of the Budget; Under Secretary of State; Under Secretary of the Treasury; Chairman of the Council of Economic Advisers; Chairman of the Council on Foreign Economic Policy; and, President of the Export-Import Bank.

In addition, other interested departments and agencies of the Executive Branch were consulted. The detailed research and planning together with recommendations for action were developed for the Task Force by an Interagency Steering Committee, with the Assistant Secretary of Commerce for International Affairs as Chairman.

To the extent possible parts of the program have already been put into effect. In order to make further progress toward a fully effective program as rapidly as possible, however, a supplementary appropriation request will be forthcoming.

The program recognizes that business development is essentially the responsibility of private enterprise.

With this in mind, the Executive Branch has consulted with a broad cross-section of the United States business community. Moreover, it is proposed that there be established a compact organizing group of business leaders to plan and promote an export drive by business, to enlist the active support of existing national and local business groups, to find sectors in which better results can be obtained, to assist and encourage business groups abroad, and to develop an organizational structure adequate for these purposes.

Fundamentals of the Program

Progress toward the achievement of an expansion of United States exports in growing world markets is dependent on vigorous, imaginative and enthusiastic undertakings at home and abroad. United States business and industry must bear the principal responsibility for a more vigorous and effective commercial effort but, at the same time, the United States Government can and should encourage private enterprise to undertake the effort and provide facilities and services to promote their success in the national interest.

Our studies and field reports clearly show that additional U.S. Government efforts in the export promotion field can be fully effective only if private enterprise can be stimulated to take a much more active interest in the export field. It is believed that the recommendations in this report collectively provide real hope for the future and represent a course of action which should be initiated *now*.

The following are the fundamentals:

1. *The Executive Branch will give priority to the promotion of U.S. exports as being in the national interest.* A sense of urgency, national purpose and dedication of intellectual and physical resources to this end is required. The Departments of Commerce and State will accord this program high priority.

2. *An integrated export promotion drive, at home and abroad, would be initiated immediately and developed as rapidly as possible.*

a. *The Department of Commerce would undertake to stimulate the interest of U.S. business in export trade through a variety of vigorous promotion programs.* To achieve a major increase in exports, firms new to the trade and those already exporting should be made aware of the value of export markets, the importance of expanded exports to the national growth of the United States and of the facilities made available by the Government to assist them. United States businessmen should be so stimulated and oriented toward foreign market opportunities. Particular attention would be paid to the needs of medium-sized and smaller business firms.

b. *The Department of Commerce would improve and expand its export trade services.* Included in this proposed improvement and expansion are: The preparation and dissemination of foreign market surveys on a specific product and country basis; improved techniques for dissemination of trade opportunity leads, analysis of major competitive weaknesses of U.S. exports, information on foreign economic and trade conditions and practical advice designed to help American firms get into the export business; and increased efforts to improve personal contact with American businessmen through domestic field offices. A significant increase in Department of Commerce personnel will be required to carry out these functions.

c. *The Department of State would establish a vigorous re-emphasis upon trade promotional activity on the part of the Foreign Service.* Greater efforts would be devoted to assisting U.S. business to find and compete for export markets. To this end, Commercial Officers have been directed to travel more widely in their area of assignment, give more personal attention to visiting businessmen, attend bid openings to the extent practicable, and encourage use of U.S. standards and specifications.

d. *The Department of State would effect significant expansion in the number of Commercial Officers and staff assigned to export promotion work as required.* Such expansion would be kept in balance with development of the program in the United States, domestic facilities for dissemination of Foreign Service reports and the increasing demands for services abroad. Personnel for this program would be recruited among experienced businessmen, the present Foreign Service, and younger men and women wishing to qualify for a Foreign Service career.

e. *The Export-Import Bank would provide export guaranties of noncommercial risks for short term transactions.* Additionally, the Bank will undertake the ex-

pansion and improvement of existing credit and comprehensive guaranty facilities for medium-term export transactions. These new facilities are needed to facilitate an expansion of U.S. exports and will be supplementary to and will not compete with private banking institutions. The details of the new program are to be announced by the Bank.

f. *The Department of Agriculture would expand its agricultural trade promotion activities to increase the sale of farm products abroad.*

3. *Promotion of travel to the United States will be given additional emphasis.*

Background

The revival of free world industrial strength, particularly in Western Europe and Japan and the increase in the participation of these nations in the world's commerce, together with necessary expenditures abroad to meet the national security and foreign policy objectives of the United States, have resulted in a large deficit in the U.S. balance of payments.

It is now U.S. policy to bring the balance of payments situation into "reasonable equilibrium", and possible corrective action is being explored on many fronts. It seems highly improbable that our present balance of payments deficit can be reduced to an acceptable level without an energetic and sustained export drive by private enterprise, with the help of the U.S. Government.

These circumstances present a new challenge to U.S. interest in international trade. The economies of the industrially advanced countries have not only recovered but have reached unprecedented heights. Increasingly, their products have entered the international market in competition with those of the United States. Further, recently intensified efforts to encourage greater trade liberalization by countries abroad have had a salutary effect.

If the U.S. is to maintain and increase its exports in growing world markets, it is in the U.S. interest to embark upon a national program to increase our trade. Foreign policy, fiscal policy, and business reasons require, in our national interest, that we place high priority on selling United States products and services abroad. In this way U.S. business can be encouraged to meet this increasing competition and to take advantage of new export opportunities now arising as a result of the general elimination of trade and currency restrictions on American products. The encouragement of tourist traffic to the United States is of similar importance.

It is to this end that the Executive Branch of the Government has developed a program for Government action to assist in the expansion of U.S. exports which will enable the Government to fulfill its responsibility in this respect to American business and industry and to the nation as a whole.

The principal burden of preparation and implementation of this program devolves upon the Departments of Commerce and State.

The program calls for joint efforts at home and abroad and requires an integrated and coordinated effort. The program will be initiated immediately, first efforts directed toward major markets having convertible curren cies, and continued on a sustained basis over the longe term.

Bearing in mind the consequences of our export effort upon friendly countries, the proposed program has bee designed to:

1. Maintain the United States position as a leader i the promotion of mutually beneficial international trade
2. Strengthen the balance of payments position of th United States to assure its continued ability to purchas supplies from abroad;
3. Extend the benefits of trade to the American peopl generally, by stimulating in U.S. industry an increase interest in export trade;
4. Assure for American industry the full opportunity t share in the expanding market in the industrially deve oped countries of the free world;
5. Increase private U.S. business participation in th economies of less developed countries, and thus assist thes countries in their development efforts;
6. Enable U.S. business, both large and small, to in crease their sales abroad and thereby add to the growt of the economy.

As presently constituted the Government's services t business are designed primarily to provide information re lating to domestic and foreign trade and to facilitate com merce. Activities have been primarily factual, analytica and of a service character rather than advisory with re spect to foreign commerce. Resources have been inade quate to permit the undertaking of programs designe primarily to enable U.S. industry to enter into competitio for export markets. The Government's role has bee primarily one of facilitation.

The U.S. will continue to press for trade liberalizatio actions by other governments. It is expected that th U.S. program to increase the number of countries wit which it has Treaties of Friendship, Commerce and Nav gation will also serve to influence favorably the positio of the American exporters.

Description of Program

The purpose of this section is to present the Tas Force's conclusions as to the major features of the pr gram and how the program should be launched and ca ried into effect. Detailed budget justifications for th supplemental appropriations required for the full deve opment of the program are being prepared and will b submitted to the Congress in the normal manner.

1. *Utilization of Present Resources*

The Task Force concludes that the importance of th export program requires maximum effort in the use o existing resources of the Department of State and of th Department of Commerce so that the program would n be unduly delayed until new funds might be appropriate To this end a number of steps have already been taken o are in the process of being put into effect.

Until additional funds become available these effor should produce a number of tangible benefits to Unite States exporters. It is the opinion of the Task Force th

the recasting of existing programs is of great importance but that this alone cannot provide resources necessary for an effective export program of the magnitude envisaged.

2. *Stimulating Business Interest in Export Markets*

In order better to alert U.S. industry to the opportunities for profitable business in foreign markets, extensive efforts to stimulate interest in exports should be undertaken throughout the country immediately.

This calls for careful planning so that the promotional work can be undertaken in those cities of the United States where goods are produced that are likely to prove attractive for marketing abroad. Contact with U.S. business already is indicating the types of services by the Department of Commerce and the Foreign Service of greatest value in expanding trade.

The stimulation of business interest in exports is a day-to-day function of the Department of Commerce. The export program contemplates that additional direction and support will be given to such efforts, and that primary emphasis would be placed on personal contacts between the staff of the Department and businessmen and trade association leaders.

To the maximum degree possible business, trade groups, banks, Chambers of Commerce, etc., will be urged and equipped to point out the opportunities in foreign trade and otherwise to play an increasingly important role in the national export program.

3. *Improving Trade Services*

Improvement in U.S. Government trade services for U.S. business involves three main lines of effort—(a) better quality, greater depth, and more specific detail of a practical character on a product basis; (b) wider dissemination of trade leads, together with greater "pinpointing" of opportunities for U.S. firms likely to be able to use the leads; and (c) increased output of the Foreign Service in terms of trade leads developed, representational efforts to be undertaken on behalf of U.S. business, and related services to assist active foreign sales efforts by U.S. business.

4. *Foreign Service Trade Promotion Activity*

The program envisaged by this report calls for an expansion of Foreign Service commercial activity and an increase in the effectiveness of existing activities. Foreign Service Officers engaged in commercial activity will work in close and frequent association with business, trade and industrial groups, as well as with similar officials of other governments.

5. *Increased Participation in Trade Fairs and Trade Missions*

Past experience has demonstrated that U.S. participation, both by private industry and Government, in trade fairs and trade missions can have immediate and practical results as a means of stimulating U.S. exports.

Greater emphasis, however, now will be placed upon the promotion of United States exports than has been the case in the past. With additional emphasis on follow-up efforts to assure exploitation of trade leads generated by trade fairs and trade missions, the results in terms of new business should be further enhanced. An expanded trade fair and trade missions program will be a significant factor in a successful export drive. Trade fair participation by the U.S. Government therefore would be progressively increased and the number of trade missions would be expanded.

6. *Pilot U.S. Trade Centers*

There would be established on a pilot basis, two permanent type U.S. trade centers to operate as an intensified extension of the Foreign Service commercial activities: one to be located in an industrially advanced country; the other in a less developed country. The exhibit operation would be under the direct management of the Department of Commerce exhibit manager, and provide a means of displaying U.S. products on a continuing basis. This is designed to provide an ever-varied display of U.S. products of interest to potential foreign customers.

7. *Improving Overseas Commercial Facilities*

With a view to improving the trade promotional advantages of commercial libraries and reading rooms at posts abroad, it is proposed that they will be better equipped, better staffed, and better located where needed so as to serve business.

8. *Expanding Promotion of Travel to the United States*

Increased emphasis would be placed upon promoting travel to the United States, with programs and materials being prepared in the United States and increased activity undertaken at home and abroad to forward the program. A detailed program is being prepared by the Interagency Travel Committee.

9. *Supporting Activities*

The export program being recommended herein by the Task Force has taken into account the need for improved supporting services, such as recruiting and training of new Commercial Officers to be assigned overseas and Department of Commerce trade specialists to serve in Washington and the field offices in the United States. These services would be phased in accordance with the substantive requirements of the programs they are designed to serve. Present Department of Commerce and Foreign Service personnel would be given training to supplement their background and knowledge relating to trade promotion. Improved communications between overseas posts and the Commerce Department have been planned and already partially put into effect.

The Mutual Security Program for Fiscal Year 1961

Following are statements made by Secretary Herter, Under Secretary Dillon, and International Cooperation Administration Director James W. Riddleberger before the Senate Committee on Foreign Relations in support of the Mutual Security Program for fiscal year 1961.[1]

STATEMENT BY SECRETARY HERTER, MARCH 22

Press release 146 dated March 22

I am pleased to be here as you inaugurate your annual review of the Mutual Security Program. It is indeed fitting that we jointly engage in this periodic assessment of our national interests abroad, of the factors for good and for evil which confront us, and of the policies and programs which we should pursue in these circumstances. The examination of executive branch conclusions and proposals from the perspective of our elected representatives in the legislative branch is a healthy process and one which has proven its value many times.

I would like to speak briefly this morning with regard to our assessment of the international scene and the importance of the Mutual Security Program as an essential instrument of our foreign policy.

As you know, we face in the coming months a period of negotiations of critical importance. The extent or degree to which these negotiations may succeed in reducing international tensions or the burden of military expense cannot be predicted. We must and we shall continue to demonstrate our will for peace and the peaceful solution of international conflicts.

The fact of discussions, of negotiations, is of course a hopeful portent. However, it is not a fact which of itself alters the basic conflict of ideas and ideologies. Nor does it warrant any relaxation of our efforts to safeguard ourselves and our friends and allies from the menace of international communism.

Goals of Communism Unchanged

For we must look at the world as it is and at the realities with which we are confronted. The harsh and basic fact is that we live in a world in which but a fraction of the world's peoples enjoy both freedom and prosperity. The harsh and basic fact is that approximately a third of the people of the world live under the domination and control of a Communist dictatorship. The harsh and basic fact is that outside the Communist bloc hundreds of millions of people in the world today are struggling to rid themselves of the curse of poverty and that these peoples are greatly concerned to find the shortest and most effective way to improve their material conditions.

Most important, there can be no doubt that the goal of communism remains unchanged. The Communists believe that it is inevitable that the capitalistic system must collapse and that it must be succeeded by classless, socialist societies. They believe that those who understand this principle of historic inevitability have a right and an obligation to impose their views on others for the furtherance of the cause. These men believe that *any action* which advances

[1] For texts of President Eisenhower's message to Congress on the Mutual Security Program for 1961 and statements by Secretary Herter and Mr. Dillon before the House Committee on Foreign Affairs, see BULLETIN of Mar. 7, 1960, p. 369; for statements by Mr. Riddleberger and Vance Brand, Managing Director of the Development Loan Fund, see *ibid.*, Mar. 21, 1960, pp. 445 and 453.

their cause is *morally right.* They believe that totalitarian government under the control of the Communist Party of the Soviet Union is the right, necessary, and natural form of government until the capitalist states of the world have been brought into the fold and capitalism eliminated from their lives and minds. Ultimately, they believe, a world of freedom and plenty for all can be attained in a stateless and classless Communist society. No Communist leader denies this creed; on the contrary, its promulgation is constantly reiterated.

We are also seeking to employ the program to promote achievement of international understanding and cooperation and thus to relieve tensions. A settlement of the long dispute between India and Pakistan over the complex question of the use of Indus basin waters is being greatly encouraged by the assurance of our willingness to join with other nations in helping to finance the development of the Indus basin.[2]

The Communists do not just talk about their creed. They use the resources, human and material, of a great empire controlling a third of the people of the world. They have great military strength; they are well organized; their progress in educating and developing their people has been truly remarkable. These very real powers support and are fully employed to advance the cause to which they are dedicated. This powerful, crusading, and dedicated force is indeed a threat to our security which we cannot ignore without the gravest peril. We must continue and strengthen our efforts in union with other free men to safeguard our right to progress within institutions of our own free choice.

U.S. Responsiveness to Needs of the Times

Our belief that the Mutual Security Program is an essential instrument for peace and progress does not mean that we should or do assume it is an instrument of either a static or perfect design. Every effort must be made to assure its responsiveness to the needs of the times and its effectiveness in meeting these needs.

Thus, for example, we find it possible to adjust our assistance downward as the capacity of recipient nations to provide for themselves increases. Economic assistance to most of Europe is a thing of the past; military assistance is no longer required by a number of our NATO partners. Indeed to an increasing degree those nations which have benefited from our help in the past are not only assuming a greater share of the common defense costs but are also aiding in the meeting of the needs of other nations for economic development.

Similarly, the Congress has urged and we agree that our programs must be and are dynamic in adjusting the flow of resources to those areas where the requisite determination and capacity to employ them fruitfully exists. The program is and must be responsive and selective in this respect.

In Africa the program proposes a new response to the needs of the emerging nations for education and training. Through a special fund, identified with the region of tropical Africa rather than with specific national states, it is our hope and belief we can foster and help common approaches to the meeting of basic needs for developing human skills.

We have also given and continue to give attention to the wisdom and necessity of providing grant economic assistance to other nations. The amendment of the Mutual Security Act stemming from this committee—section 503(c)—was a welcome stimulus to a careful and objective reappraisal of these programs. Our report of plans for progressive reduction and eventual termination of grant economic aid,[3] where practicable, has been provided to you, and Mr. Dillon will be prepared to discuss these plans with you in such detail as you may wish.

While it is not necessary for this committee to authorize funds this year for military assistance, I believe you will be interested in the fact that we envisage a *lower* level of deliveries of military equipment in the future than the average delivery levels of the past several years. Also of interest to you is the fact that programing of military assistance is being revised to assure more effective foreign policy guidance and a greater degree of participation and responsibility on the part of our ambassadors abroad. Both of these actions reflect responsiveness to the expressed views of this committee.

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[2] For background, see *ibid.*, p. 442.

[3] For text of a general summary report on grant economic assistance relating to defense support and special assistance programs, see *ibid.*, p. 460.

In sum, while the detail of the program and of its coordination can be best provided you through other witnesses, I am personally satisfied that it is being continuously improved in both conception and administration, that it is a dynamic and flexible program, and above all an essential one for the protection and promotion of our interests.

Reasons for Mutual Security Program

In the world today, the free nations are faced with both the threat of communism and the appeal of communism. Those nations which enjoy any measure of prosperity and freedom are threatened with its loss. Those nations which have little are promised easy and rapid advance. The objective of international communism is the same in either case, to bring them under Communist control.

Against the threat of Communist expansion by force or threat of force we and other free peoples have constructed a barrier of defensive strength. The preservation and maintenance of that barrier is a matter of fundamental and primary importance to our security. The Mutual Security Program is essential to this task.

Military strength is an imperative not only to prevent expansion by force but to create and maintain an atmosphere of security and confidence within which the basic problems of human betterment can be tackled.

The United States is a prosperous and fortunate nation. Yet few, if any, in this country would deny the need and opportunity for improvement in the status of millions of our own people. How much greater the need and the opportunity for improvement of the status of the many hundreds of millions of people outside the Communist bloc who are struggling to rid themselves of the curse of a poverty we find difficult to imagine.

Why is the welfare of other peoples a matter of concern to us? It is true, of course, that ignoring their problems and their needs would inevitably leave them no alternative but recourse to the Communists. It is also true that their absorption into the Communist fold would confront us with a grim, if not hopeless, security position. Of these aspects we are well aware and must take measures accordingly.

Yet our interest in the welfare of human beings has a deeper and more meaningful basis and justification than merely protecting our own possessions and freedom.

Our efforts to defend our way of life, to prevent the spread of Communist power, are not efforts to impose our views on others or to require a common fealty to the United States. The efforts we make to help others to defend themselves, to achieve progress, are basically and fundamentally a part of our own creed.

We believe in the right of all peoples and nations freely to choose their own ways of life; we believe in cooperation, based on respect, with other nations; we believe in the dignity, rights, liberties, and importance of the individual man, the subordination of the state to the interests and will of its citizens; we believe in decision by discussion and dissent, in tolerance, in governments of laws, not of men, and in peace with justice.

These are the beliefs on which our Nation was founded, on which it grew strong and great, and on which its future strength and greatness depend. It is these beliefs which motivate us to join with others in the defense of them. It is because we believe in these concepts that we wish to assure that other men may have the opportunity to enjoy the blessings of life in a free society.

Thus our efforts in the Mutual Security Program have high purposes. We seek to defend ourselves and to assure our own security; we seek equally to support the right of every nation freely to determine its own system of government; we seek equally to help in the progressive betterment of human beings. It is for these reasons that we have had a Mutual Security Program; it is for these reasons that we should and must continue it.

STATEMENT BY UNDER SECRETARY DILLON, MARCH 22

Press release 145 dated March 22

It is always a pleasure to appear before this committee and particularly at this early stage in your consideration of the Mutual Security Program for fiscal year 1961.

We are asking reenactment of the basic Mutual Security Act, with relatively few modifications. These are intended to facilitate effective administration and to relax certain requirements which

hamper our capacity to cope with such specific challenges as the Indus River basin development and the needs of the Palestine refugees in the Near East.

The sum requested is $4.175 billion. Although it is a somewhat larger amount than was sought last year, it will merely permit expenditures to be maintained at about current levels. The bulk of the increase is concentrated on the military assistance program, which has been squeezed to the point where expenditures in the current fiscal year will decline to about $1.8 billion—25 percent less than the average annual rate of the past 5 years.

I shall confine my discussion to certain elements of the program which I feel will be of particular interest to this committee. They are:

First, the prospect for reducing grant aid;

Second, the possibility of accelerating the economic development of Taiwan;

Third, the opportunity for progress in South Asia;

Fourth, the need to make a start toward dealing with the requirements of tropical Africa;

Fifth, the situation of the Palestine refugees;

Finally, the impact of the program on the United States economy.

The Prospect for Reducing Grant Economic Aid

A report was transmitted to the Congress March 4 on "Grant Economic Assistance Relating to Defense Support and Special Assistance Programs." Prepared in accordance with section 503(c) of the act, it is the condensed result of a 4-month review which enlisted the efforts of country experts in Washington, as well as country teams abroad.

The purposes of the review were: first, to insure that proposed grant aid programs were at the minimum level consistent with United States national security and foreign policy objectives; second, to meet those objectives through loans rather than grants wherever feasible and appropriate; third, to insure that the programing of grant aid for the coming fiscal year represented a firm step toward a definite longer range goal.

Most of our present grant aid programs were created to meet political and military emergencies in the Far East and Near East—either in response to direct Communist aggression or to crises attending the birth of newly independent nations in conditions of instability and insecurity.

The situations which led to the inauguration of our programs are still largely with us. They constitute valid and compelling reasons for continuing grant aid. However, improving conditions and rising national incomes will permit most of the recipient nations to finance more of their needs out of their own resources. They are making sufficient progress to warrant our envisioning progressive reductions in grant aid without jeopardizing our objectives.

The plans for such reductions presume that rising national incomes can be maintained in recipient countries. They also presume that grant aid will be continued where essential needs cannot be met out of rising incomes. However, where aid contributes directly to economic development and thus generates income with which to repay borrowing, it is presumed that essential needs will be met increasingly through loans.

These plans are designed to accelerate progress by providing more development assistance and by encouraging recipient countries to make better use of their own resources. They do not contemplate either the abandonment of our foreign policy objectives or the substitution of loans for grants where loans would not be appropriate.

We therefore seek continued authority for grant aid, although we shall strive to keep such programs to a minimum. The committee will note that reductions are proposed for fiscal year 1961 in 12 out of 22 existing grant aid programs, including 9 of the 12 defense support programs. Of the remainder, 3 are proposed at the current level. Minor increases are proposed for 3 others. The situation in 4 special cases requires increases.

As for future years, these plans envisage progressive reductions in most of the present grant programs. We have based these plans on what we now consider to be reasonable and realistic presumptions, but many of their elements are difficult to predict. Among these elements are political factors, economic policy adjustments, the state of export markets, progress in improving internal administration, plus other intangibles which are beyond our control and frequently beyond the control of the governments of the recipient countries. We expect to carry out these

plans to the best of our ability. But we would be less than candid if we did not clearly point out that future developments could invalidate the presumptions underlying these plans.

In short, we are completely in accord with the objectives of section 503(c). The program proposed for fiscal year 1961 represents substantial advances toward these objectives. We shall continue to exert every effort to reduce grant aid. But it is obvious that a prerequisite for progress in this field is the availability of adequate financing for economic development purposes. We have presumed that our friends in other industrialized countries whose economies are showing such marked progress will make increasingly heavy contributions toward economic development. We also presume that the United States will do its share by increasing its appropriations for the Development Loan Fund. Accordingly, we are requesting an appropriation of $700 million in 1961 for this purpose—an increase of $150 million.

The Economic Development of Taiwan

In preparing this year's program, we concluded that Taiwan's ability to progress economically might be significantly accelerated. Harassed by repeated military attacks—and contributing proportionately more out of a low income to defense than almost any other free-world country—Taiwan nevertheless offers one of the most hopeful prospects for economic growth of any newly developing country bordering on the Sino-Soviet empire. Taiwan has achieved a significant rate of growth in national income, thus enabling us to progressively reduce our grant aid over the past several years.

The Government of China has recently proposed a program of economic reform to reinforce and enhance the material progress of the people of Taiwan and has solicited our cooperation. We propose to respond by maintaining next year's defense support program at approximately the current level, earmarking a portion of these funds for the support of Taiwan's rapidly expanding private industries. We also propose to expand the financing of projects in Taiwan out of Development Loan Fund resources.

Taiwan presents the free world with a challenging opportunity to demonstrate that a high rate of economic growth can be maintained in Asia without the oppressive and inhuman excesses that characterize Communist China's forced-draft economic programs. The major effort will, of course, be made by the people of Taiwan themselves. The contribution expected of us is relatively modest. It is, nonetheless, a critical one.

The Needs of South Asia

An equally promising opportunity exists in South Asia. Here, two heavily populated countries, India and Pakistan, achieved independence in the early aftermath of World War II and have struggled ever since to provide a better life for their impoverished peoples. These governments and peoples are as dedicated to maintaining their independence and freedom as they are to improving living standards. The eyes of the entire world, and particularly of the people of other newly developing countries, are focused on their attempts to attain economic progress in freedom. The need to help them in their struggle has been accepted as an important responsibility by a number of the free world's more industrialized countries.

Their efforts have been hampered in the past by a conflict arising out of the conditions under which they attained independence. Only recently have prospects arisen for resolving that conflict. The International Bank was thus recently able to announce significant progress toward an agreement on a major program to develop the Indus basin for the benefit of both India and Pakistan. The resources of the Bank will be supplemented by contributions from a number of prospering free-world countries, including the United States.

For fiscal year 1961, the Congress is asked to support this enterprise and to authorize certain exceptions from normal procedures to permit our full participation. Such United States financing as may be needed before the end of fiscal year 1961 will be provided by the Development Loan Fund.

In addition to this dramatic project both India and Pakistan are embarked on major long-range economic development programs. These programs are about to be accelerated. Their successful advancement must continue as a major foreign policy objective for us and for our allies, many of whom are making substantial contributions. Expanded efforts will be required of all. Our capacity to play our proper part next year in help

ing these and other countries of South Asia depends on the availability of adequate funds in the Development Loan Fund. Any reduction in the $700 million requested for the DLF will seriously circumscribe our ability to help.

Tropical Africa

That part of Africa which lies south of the Sahara has not in the past played a prominent role in international affairs. In the decade of the sixties its role may be critical. Africa is essentially a continent of newly emerging states, some of which have only recently attained independence. Others will do so this year. More will achieve self-government in the years immediately ahead. Nowhere has independence been the occasion for higher hopes. Nowhere will the difficulties be greater in satisfying human aspirations. The Communist bloc is well aware of the fertile field offered by this area in achieving its announced goal of world domination. Africa has been made a major target area by the Communists, who are stepping up their propaganda and aid programs and seeking to heighten frustration and increase tensions in order to block sound progress under free institutions.

For some years this area has been the scene of major efforts by the industrialized countries of Western Europe to promote economic improvement. In 1959 assistance from European public budgets approximated $500 million. As independence is achieved, the new countries look increasingly to the United States to assist them in securing their independence on solid economic foundations. While the requirements of the area for development capital—and the need for us to provide such capital can be anticipated—can be expected to mount, the urgent need now is to develop human skills and to create additional technical capacities as a prerequisite to significant growth. Therefore, a special program for Africa is being proposed under the special assistance title of the act, which would provide $20 million during fiscal year 1961 as an initial contribution. The amount is but a small fraction of the Mutual Security Program proposed for fiscal year 1961. It may, however, be the most significant proposal offered for your consideration. The problems of the area are so enormous that we must tread cautiously in finding the most appropriate form and technique for our assistance. The sum may be regarded as a demonstration of our determination to help the peoples of Africa to cope with their problems.

The Situation of the Palestine Refugees

The situation of the Palestine refugees continues as a serious potential source of instability in the Near East. Despite every effort to carry out congressional intent that foreign aid funds be used to resettle these unfortunate human beings, it has not been practicable for the United Nations Relief and Works Agency to carry out a major program of resettlement because of the political realities in the area. We have succeeded in having the Palestine Conciliation Commission reconvened,[4] and we hope that it will make possible a more fundamental attack on the refugee problem. Meanwhile, these people are in desperate straits and must be provided with the minimum necessities of life.

As a result of a proviso in section 407 of the act, limiting the use of 10 percent of the appropriation for this program to resettlement, some $6½ million made available by the Congress has been effectively immobilized. Again this year we shall need to contribute $25 million to this work. If the Congress will accept our proposed amendment, thus freeing this money, our need for new funds will only be $18½ million.

Impact on the United States Economy

I am sometimes asked whether we can afford this program. It is a question that our friends of the newly developing areas hear with considerable amazement, when they consider our privileged position in the world. Yet it is sufficiently prevalent in our own country to merit serious attention.

The proposed Mutual Security Program for fiscal year 1961 would consume about eight-tenths of 1 percent of the gross national product of the United States, a gross national product that is, on a per capita basis, by far the highest in the world. Proposed expenditures under the program would represent less than 5 percent of the expenditures proposed for our Federal Government.

Although it is unfortunately true that some of our citizens still do not fully comprehend the urgent need for continuing mutual security at ade-

[4] For background, see *ibid.*, Jan. 4, 1960, p. 31.

quate levels, it is my belief that the vast majority of the American people look upon mutual security as a direct investment in their own future safety and well-being.

Mutual security has been the subject of considerable misunderstanding. This past year a new element of misunderstanding has been introduced. I refer to concern over our balance-of-payments situation and foreign-exchange reserves. Certainly the balance-of-payments developments are properly a matter of deep concern to all of us, even though recent statistics suggest that substantial improvement is already in sight. For example, our January commercial export surplus of $354 million compares with a surplus of only $94 million in January 1959.

However, the relation of the Mutual Security Program to balance-of-payments trends has been considerably misinterpreted. Sight is lost of the fact that total expenditures under the Mutual Security Program are currently about a third lower than they were between 1953 and 1955, when our balance of payments was not a matter of concern.

Actually, the recent deterioration in our balance of payments is essentially a result of fluctuations in our exports. We consider that increased exports are the appropriate corrective. Accordingly, we are energetically working with other interested agencies of the Government in a joint effort to help our exporters achieve a higher rate of sales in the months and years ahead.[5]

It is frequently overlooked that some 90 percent of the military assistance program and about half of all expenditures under the economic assistance programs are made directly in the United States. The volume of indirect expenditures in the United States stemming from the program is less readily measured. But it is considerable, and it swells our export total. Several hundred million dollars of military equipment is purchased each year by nations that once received military assistance but are now in a position to pay for their maintenance and replacement costs. One measure of the program in terms of our own economy is the fact that many countries are buying goods in the United States today which they could not conceivably be buying without the economic improvement made possible by mutual security efforts of the past. We confidently anticipate that, as more and more of the newly developing countries achieve expanding economies with our assistance, they will become increasingly important customers of the United States and will eventually make important contributions to our own economic growth through normal channels of trade.

It is my personal belief that we not only can afford to set aside a fraction of our national income for mutual security but that we cannot afford *not* to channel this small portion of our resources into a program which is designed to protect our own best interests.

The proposal for fiscal year 1961 is a minimal program adapted to changing conditions, modified to reflect recent development, adequate to the situations we foresee, and flexible enough to take advantage of new opportunities for significant progress as they arise. Its purpose is to help us to survive in peace and freedom and prosperity by helping our friends and allies to do the same. It is a program and a purpose worthy of the continued support of the Congress and the people of the United States.

[5] See p. 560.

STATEMENT BY MR. RIDDLEBERGER, MARCH 2

Press release 149 dated March 23

I welcome the opportunity to appear before you this afternoon in my capacity as Director of the International Cooperation Administration to support those elements of the fiscal year 1961 Mutual Security Program authorization request which are the responsibility of ICA. These include defense support, special assistance, technical cooperation, and the ICA administrative expenses.

This committee has actively participated in the development of the program we are discussing this afternoon. This help has been provided both in forward-looking policy suggestions and in terms of critical surveillance of those operations designed to carry out foreign policy. For example, the Subcommittee on State Department Organization and Public Affairs has provided helpful and constructive criticism in its thoughtful report on the United States aid program in Viet-Nam.

In a constantly changing world scene it is not easy to achieve the most effective balance between, for example, Europe and Asia, military and eco

nomic needs, grants and loans, short-run impact and long-range benefits, military allies and neutrals, major projects and diversified small projects, and efficient administration while insuring accomplishment of broad policy objectives in crises situations. At no time have these divergent interests been ignored. However, it is certainly possible for reasonable and mature minds to reach different conclusions on what is the proper balance. With the benefit of hindsight we can all see where a different emphasis in particular situations might have been more effective in achieving a specific result. I personally believe that the shifts in emphasis and the changes in the program which the executive branch is proposing to you this year, and which ICA is, in part, charged to execute, represent a significant forward step.

The Fiscal Year 1961 Program

The fiscal year 1961 program features new elements and shifts in emphasis. President Eisenhower's mutual security message and the presentations of Secretary Herter and Under Secretary Dillon before this committee reflect an increased concentration of assistance for economic growth in certain countries. The Indus program, the accelerated growth program in Taiwan, and the special program for tropical Africa are included for the first time. The fiscal year 1961 program recommends a decrease in defense support. It recognizes the role of increased contributions by other industrialized free nations.

The fiscal year 1961 program contemplates continued building and strengthening of the defensive shield along the Sino-Soviet arc. New emphasis is given to selecting and developing free-world economic strong points.

South Asia

Both India and Pakistan are embarked on major development programs which are being accelerated. Expanded assistance will be required of the principal industrialized nations. Major United States capital assistance to South Asia will be provided primarily through the Development Loan Fund. The program administered by the ICA can be properly judged only in relation to the other parts of the Mutual Security Program and related programs.

Increased DLF assistance to the India capital resources program forms an integral and essential part of our total response to the problems of economic development in this country. Our largest technical cooperation and Public Law 480 programs are in India. To coordinate our heavy responsibilities in India and to integrate all U.S. economic activities in India, we have established the position of Economic Minister. Mr. C. Tyler Wood, whom many of you know, is the incumbent of this position.

In Pakistan our response to the requirement for a heavy flow of resources will be made through the provision of defense support to finance imports of commodities and a Public Law 480 program of agricultural surpluses, as well as DLF lending.

The Indus River basin program will substantially assist both India and Pakistan. It reflects identification of mutual interest. It forebodes important cooperation for the economic stability and progress in the subcontinent.

I believe that the Indus settlement is significant and has great prospects. It exemplifies three principles of foreign assistance stressed by this committee, namely: self-help, regional cooperation, and cooperative action by other developed nations.

The Republic of China

Turning now to Taiwan, I would like to quote briefly from President Eisenhower's mutual security message:

> The vigorous and skilled population on Taiwan, the record of growth in investment and output, the very real potential for acceleration, offer a prospect for a convincing demonstration that under free institutions a pace and degree of achievement can eventually be obtained in excess of that resulting under totalitarianism. For this purpose, we envisage the full employment of both grant and loan assistance to hasten the day of ultimate viability and self-sustaining growth.

The vitality of this economy is impressive. Industrial production has more than doubled. The number of private entrepreneurs has mushroomed. Some 20,000 manufacturers are now producing goods ranging from small household items to heavy capital equipment. Agriculture has been expanded and diversified. Yields per acre are now among the world's highest.

The Government of free China has prepared a plan for acceleration of economic growth. This plan has been transmitted to U.S. representatives for consideration. The plan includes many significant Chinese actions on such problems as tax

reforms, noninflationary fiscal and monetary policy, more liberal foreign exchange controls, and transfer of public-owned industries to private hands. The many proposed activities should stimulate the private sector and induce an increased level of domestic investment. The Mutual Security Program, through an appropriate combination of grants and loans, can assist in meeting the foreign exchange costs of this investment program.

The achievement of rapid growth, largely through the vigor of the private sector, should have a significant impact in other Far Eastern countries.

Concentration of Assistance—Eligibility Criteria

Some persons may well ask, as I am sure a number of our stanch allies in the underdeveloped areas will ask, "Why are we suggesting an increased concentration of development assistance for economic growth in Taiwan and South Asia but not in other countries?"

The answer is essentially twofold: first, that economic development cannot occur solely as a product of external assistance. Real development, which yields its broad range of benefits to the general population, must mainly be the result of a country's own efforts. Development in the long run cannot be given, or lent, or forced by an outside nation.

The provision of technical or capital assistance cannot induce dynamic progress unless the people themselves are prepared to make the difficult economic, social, and political decisions required in the allocation and administration of their own resources. Foreign aid can be an indispensable part of accelerated progress. Foreign aid can in no sense substitute for fully determined, disciplined self-help.

Second, there must be an institutional and human-resources base upon which rapid growth can be built.

When these two conditions are met, namely, full determination and disciplined self-help, plus an institutional and human base capable of accelerated growth, then the United States stands prepared to utilize a variety of tools and techniques in increased measure to help accelerate economic advancement.

There must be, however, a selective judgment by the United States in choosing when and where to concentrate assistance. This requires the United States to make certain qualitative judgments on the opportunities for success. The recipient must deal realistically with such things as the tax policy, trade policy, and investment policy. This Government believes that properly guiding its own actions on such judgments does not constitute interference in the internal affairs of other states.

The policies of this Government must and do proceed with the recognition that our acts can stimulate and can help but cannot substitute for effective self-help. The magnitudes are too great to be fulfilled by external aid alone. Other nations must—and many do—recognize that it is in their national interest to plan and carry the major portion of their own programs for economic independence.

There is a third reason why it is in the U.S. interest to help those countries which attempt to solve their problems with realistic and courageous policies and decisions. I call this reason the "reverse domino" effect. We all know the danger of the chain reaction in Communist aggression. This has been called the "domino" effect. One small free country is invaded or subverted by the Communists. The drive of the Communists in knocking down this first country may serve to knock down a series of neighboring small countries like dominoes.

The reverse-domino effect comes when a country proceeds toward self-sustaining growth. This provides guidance and inspiration to other less developed countries farther behind in the growth process.

We are witnessing a major reverse-domino effect in the form of increasing efforts by Western Europe to assist the development of Asian and African countries. We are also witnessing on a smaller but still impressive scale Israel's efforts by sending technicians to assist in Ghana, Nigeria, Burma, and other countries. We see the reverse-domino effect in Indian aid to Nepal, situated precariously within arm's grasp of Red China. We see it as Taiwan and the Philippines extend technical assistance to free Viet-Nam. These examples will be multiplied in the years to come.

I believe one significant result of the assistance described above will be that free peoples everywhere will prefer to continue free if, through freedom, economic progress to the stage of self-

sustaining growth is a discernible and realizable objective.

Finally, I do not mean to imply that those governments whose countries are not yet in a position to qualify for intensive development assistance should be cut off from assistance required by their special circumstances. They may also require assistance to help establish the institutional and human-resource base capable of accelerated economic growth. The main point of the proposal is the recognition that increased concentration of development assistance will pay the greatest dividends if chiefly given to countries ready and willing for dynamic growth.

Magnitudes of Assistance Requested

The President's budget message,[6] his recent mutual security message, and the statements of Secretary Herter and Under Secretary Dillon have set before you the amounts required and the purposes for which they will be used. The amounts requested of the Congress are the amounts needed for an effective program. We are requesting less funds in defense support for fiscal 1961 than are at present programed for fiscal 1960, more for special assistance and more for technical cooperation than is available for the present year. The amount for administrative expenses is increased primarily to meet requirements for the expanded operation in Africa and other relatively inflexible requirements such as automatic pay increases.

Defense Support and Special Assistance

Congress enacted last year section 503(c) of the Mutual Security Act. This called for the executive branch to present plans by country for reduction and elimination where possible of grant economic assistance in the categories of defense support and special assistance. This legislative emphasis provided by this committee on long-range planning in the future of grant economic assistance is particularly welcome.

We are prepared to discuss these plans in detail. Today I would like to make a general observation. Our program presentation could convey to you the impression that our total defense support and special assistance programs are merely a summation of responses to individual country situations. It may appear that, with some work and good luck, these individual situations can be remedied and then the United States can get out of the economic assistance business.

In part, this is a true representation. It would be necessary to add that defense support and special assistance magnitudes are a function of the general state of international political and military relationships.

In the long run the level of appropriations required will depend in large part on events beyond the control of either the United States or of our friends and allies. Requirements for defense support and special assistance over the next several years may possibly go down significantly, or they could go up.

To illustrate my point, there are a number of signs indicating that Communist China, a decade from now, will have grown in economic strength to the point where its external power potential may equal, or even exceed, that of Russia at the beginning of World War II. I do not mean by this that Communist China will by that time rank with the most powerful nations, but it may command economic resources which will have greatly increased its capability for armed aggression and economic penetration.

The Communist conquest of mainland China caused a tragic power shift in Asia. It threw to the Communist side the vast human and material resources of Asia's largest country. We can only assume that the Communists will continue to ruthlessly exploit these resources to the full and that their war machine will continue to grow in strength. We must also assume that they will make full use of their growing economic power in intensifying their politicoeconomic offensive against the free nations along the periphery of China.

In this situation grant economic assistance in present or modified amounts and kinds will play a key role in thwarting Communist attempts to overwhelm or undermine the countries along the arc of free Asia from Afghanistan to Korea. Defense support funds are needed to maintain their military posture.

Defense Support

Defense support is economic assistance provided to 12 countries which are contributing military forces and forward military bases essential to the security of the free world. Eleven of the

[6] For excerpts, see BULLETIN of Feb. 8, 1960, p. 202.

12 defense-support countries either border directly on, or are separated by narrow strips of water from, the Sino-Soviet bloc.

Defense support, by supplementing their economic resources, assists the recipients to make the military contribution we and they agree is necessary but which they could not otherwise make without incurring economic instability or inviting serious internal morale problems. These 12 nations span half the globe, from Spain to Korea, and constitute a vital part of our forward defense. All 12 are in varying degrees economically underdeveloped. To increase their future economic self-reliance and defense capabilities, it is in our interest to help them develop greater internal economic strength.

From an assessment of these considerations we are requesting $724 million for these 12 defense-support countries, as compared with last year's request of $835 million and a program this current fiscal year of at least $765 million. Thus a significant reduction has been possible, particularly in Europe and the Middle East, while maintaining our security posture around the periphery of the Sino-Soviet bloc.

As compared to the amounts allocated for fiscal year 1960, in fiscal year 1961 the program calls for decreases in eight countries, increases in three countries, and in one country there is no change. 83 percent of the total request is earmarked for countries on the periphery of Communist China.

Special Assistance

Special assistance is economic aid that is necessary to achieve political, economic, humanitarian, or other objectives in any country where the United States is not providing military assistance in support of significant military forces and where the needs for such assistance cannot appropriately or fully be provided under technical cooperation or from the Development Loan Fund. Special assistance is also the source of funding for certain regional or worldwide programs, such as that for malaria eradication, which serve important United States interests and which are not appropriate for financing under other categories of assistance.

Special assistance may conveniently be divided into four categories: (1) major country programs, (2) the special program for tropical Africa, (3) functional programs, and (4) special activities. $268.5 million is requested, as compared with last year's request of $272 million and a program this current fiscal year of at least $259.6 million.

The 10 major country programs total $179.75 million, or 67 percent of the total. These countries are Libya, Morocco, Tunisia, Berlin, Afghanistan, Israel, Jordan, Burma, Haiti, and Bolivia. The amounts for these countries are, in general, extremely firm and are not susceptible to significant reduction without material loss in terms of the attainment of United States foreign policy objectives.

The special program for tropical Africa is $20 million. With reference to the probable future increase in special assistance programs in Africa, President Eisenhower said of the special program for tropical Africa in his mutual security message:

> It is my belief that this initial effort must grow significantly in the immediate years ahead and complement similar efforts on the part of other free world nations so that the capacity of the new and other developing nations in Africa to manage and direct their development can be strengthened and increased rapidly and effectively.

We do not want, nor is it possible, to turn our back on this continent four times the size of the United States, with more than 200 million people.

I believe this committee will agree that the degree of our involvement in the African Continent can be expected to increase rather than decrease. I believe you will further agree that we are facing a situation in Africa wherein grant assistance rather than loan assistance will continue to be a necessary tool in our response to many of the African needs, such as education and training.

Current political developments, as was perceptively discussed in the report of this committee last year, are tending toward a fragmentation of the continent into many separate units. The African leaders themselves are concerned with the problem. They are seeking ways to establish closer ties between their countries. We propose that a portion of the program be used for activities to encourage the separate African political units to work together on common problems of economic and technological development. We plan to support multicountry planning, conferences, workshops, and other related activities.

The functional programs include malaria eradication, community water supply development, international medical research, aid to American-sponsored schools abroad, investment incentive fund, and the voluntary contribution to the

United Nations Emergency Force. These functional programs account for 18 percent of the total.

The special activities category includes a variety of essential activities, such as modest projects to complement technical cooperation, engineer construction unit projects in Latin America, and support of the Central Treaty Organization civil aviation project. These activities account for 8 percent of the total.

Technical Cooperation

Technical cooperation needs no detailed exposition before this committee, which has over the years been instrumental in evolving its purposes and identifying its capabilities.

For the bilateral program we are requesting $172 million for fiscal year 1961, an increase of $12 million over the program for this current fiscal year. Approximately one-third of the increase occurs because of expansion of operations in Africa, with the balance of the increase being for selected purposes in other parts of this worldwide program.

Conclusion

In conclusion may I restate my conviction that the program being presented to the Congress is responsive to the instructions of the Congress and will enable us to advance toward the objectives and purposes to which we are all dedicated.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Development Assistance Group Agrees To Hold Further Talks

Following is the text of a communique issued by the Development Assistance Group[1] *on March 11 at the close of its first meeting, which convened at Washington March 9, together with a list of the members of the participating delegations.*

TEXT OF COMMUNIQUE

Press release 122 dated March 14

The Development Assistance Group which convened on March 9 under the Chairmanship of Ambassador [Egidio] Ortona of Italy has completed its first meeting. The participants were: Belgium, Canada, France, the Federal Republic of Germany, Italy, Japan, Portugal, the United Kingdom, the United States, and the Commission of the European Economic Community. The terms of reference, as agreed in Paris on January 14, 1960, are attached.

All the members recognized the great importance of an increase in the total flow of development assistance to the less developed areas and indicated their intention to continue to work actively towards this objective within the limits of their resources. A major step in this effort was recognized to be the elaboration of individual government measures which might facilitate the extension of development financing. The Group also discussed various aspects of improving available information from the members and from appropriate international organizations which would be helpful in making development assistance most effective.

During its session the Group explored a number of questions relating to forms and types of finance made available by the participating countries and the European Economic Community to the less developed areas. At this first meeting primary attention was directed towards methods and means of improving the flow of bilateral aid.

The Group agreed that its efforts should not involve discussion of amounts of financing for particular regions, countries, or projects.

[1] For background, see BULLETIN of Feb. 1, 1960, p. 139, and Mar. 21, 1960, p. 440.

The Group heard reports from the International Bank, the IMF [International Monetary Fund], and the OEEC [Organization for European Economic Cooperation] Secretariat on aspects of their activities relevant to questions of economic development.

Representatives of the participating countries and the EEC Commission reported on their respective approaches to the question of ways and means of extending financing to the less developed areas.

Representatives of United States agencies reported in some detail on the experience of the United States and the scope and form of United States activities in promoting economic development in the less developed areas.

The Group agreed to discuss further the principles of development aid at its next meeting. The Group also invited the members to submit proposals for improving the exchange of information and methods of consultation and coordination. It agreed on the usefulness to it of the current work of the OEEC in clarification of the various types of capital flows to the less developed countries.

The Group decided that similar informal and consultative meetings could usefully be held periodically and accepted the invitation of the Government of the Federal Republic of Germany to meet in Bonn in about three months time.

Resolution on Development Assistance

The Special Economic Committee

Having been informed of the desire of the Governments of Belgium, Canada, France, Germany, Italy, Portugal, the United Kingdom, and the United States, and the Commission of the European Economic Community, who, in addition to their contribution to international organizations, are making available or may be in a position to make available a significant flow of long term funds to underdeveloped areas, to discuss among themselves the question of techniques to facilitate such flow of funds, taking into consideration other means of assistance to developing countries;

Notes that these eight governments and the Commission of the European Economic Community intend to meet together to discuss various aspects of cooperation in their efforts, and to invite other additional capital exporting countries to participate in their work or to meet with them as may from time to time appear desirable, and to consult with such multilateral organizations as the International Bank for Reconstruction and Development and the European Investment Bank.

LIST OF DELEGATIONS

Press release 111 dated March 9

Belgium

André van Campenhout, Executive Director, International Monetary Fund and International Bank for Reconstruction and Development
Jean-Paul van Bellinghen, Second Secretary, Embassy of Belgium, Washington
Jean Valley, Counselor to the Permanent Delegation to the European Communities

Canada

A. F. W. Plumptre, Assistant Deputy Minister of Finance
O. E. Ault, Administrator of International Economic and Technical Cooperation Division, Department of Trade and Commerce
Sidney Pollock, Director, International Programs and Contributions, Department of Finance
D. R. Taylor, Chief, Economic II Division, Department of External Affairs
George Watts, Special Assistant, Research Department, Bank of Canada
V. L. Chapin, Assistant Director, International Trade Relations Branch, Department of Trade and Commerce
C. L. Read, Alternative Executive Director, IBRD, and Financial Counselor, Embassy of Canada, Washington
James Langley, First Secretary, Embassy of Canada, Washington

France

Hervé Alphand, Ambassador of France, Washington
Jean Cottier, Financial Counselor, Embassy of the French Republic, Washington
Olivier Manet, Counselor, Embassy of the French Republic, Washington
Jean-Pièrre Brunet, Foreign Office
Claude-Pièrre Brossolette, Inspector of Finance
René Larre, French Administrator of IBRD

Federal Republic of Germany

Guenther Harkort, Chief of the Commercial Policy Department, Foreign Office
Dietrich Keller, Foreign Office
Ernst vom Hofe, Chief of the Section for Private Banking and Stock Exchanges, Ministry of Economics
Kurt Feldman, Ministry of Finance
Albert F. Ernecke, Commercial Counselor, German Embassy, Washington
Karl-Gerhard Seeliger, First Secretary, German Embassy, Washington
O. Donner, Executive Director, IBRD

Italy

Egidio Ortona, Italian Ambassador to the United Nations
Luciano Giretti, Deputy Director of General Economic Affairs, Department of External Affairs
Giorgio Cigliana-Piazza, Bank of Italy, and Deputy Governor of IBRD
Giovanni Luciolli, Counselor, Embassy of Italy, Washington
Carlo Gragnani, Executive Director, IMF

Mario Magliano, Department of External Affairs
Italo Jannucelli, Department of Foreign Trade

Japan

Shigenobu Shima, Deputy Vice Minister for Foreign Affairs, Foreign Office
Gengo Suzuki, Financial Minister, Embassy of Japan, Washington
Seiichi Sato, Commercial Minister, Embassy of Japan, Washington
Hidemichi Kira, First Secretary, Embassy of Japan, Washington
Masao Sawaki, Chief, Economic Cooperation Section, Bureau of Economic Affairs, Foreign Office
Shogo Yonezawa, Economic Cooperation Division, Foreign Office
Hiroaki Fujii, Attaché, Embassy of Japan, Washington

Portugal

Albano Pires Fernandes Nogueira, Assistant Director General for Economic Affairs, Foreign Office
Albino Cabral Pessoa, Financial Counselor, Portuguese Embassy, Washington
Armenio Fonseca Lopes, Secretary General, Bank of Portugal
Ricardo Faria Blanc, Ministry of Finance
José Brito Guterres, Ministry of Overseas Provinces

United Kingdom

Denis Rickett, Third Secretary, Her Majesty's Treasury
Robert Hall, First Economic Adviser to the Treasury
L. Thompson-McCausland, Adviser to the Governor, Bank of England
The Earl of Cromer, Economic Minister, British Embassy, Washington
Geoffrey M. Wilson, Financial Attaché, British Embassy, Washington
John Chadwick, Counselor, Foreign Office

United States

Douglas Dillon, Under Secretary of State
T. Graydon Upton, Assistant Secretary of the Treasury
Edwin M. Martin, Deputy Assistant Secretary of State
Avery Peterson, Deputy Assistant Secretary of State
Ivan B. White, Deputy Assistant Secretary of State
Alfred von Klemperer, Assistant to the Secretary of the Treasury
Manuel Abrams, Department of State
Donald W. Curtis, Department of the Treasury
Ruth Kupinsky, Department of State
Philip P. Schaffner, Department of the Treasury
William V. Turnage, Department of State
George H. Willis, Department of the Treasury

European Economic Community

Robert Lemaignen, Member of the Commission
Franco Bobba, Director General, Economic and Financial Questions
Helmut Allardt, Director General, Associated Overseas Countries and Territories
Robert Faniel, Director, General External Relations
Frederic Boyer de la Giroday, Financial Expert

PAHO and SEATO Designated Public International Organizations

PAN AMERICAN HEALTH ORGANIZATION

White House press release dated February 18

White House Announcement

The President on February 18 issued an Executive order designating the Pan American Health Organization (PAHO) as a public international organization entitled to the benefits of the International Organizations Immunities Act of December 29, 1945.

The International Organizations Immunities Act provides that certain privileges, exemptions, and immunities shall be extended to such public international organizations as shall have been designated by the President through appropriate Executive order, and to their officers and employees and to the representatives of member states to such organizations.

The act grants designated international organizations immunity from suit and judicial process and exempts them from customs duties and internal revenue taxes imposed upon goods and effects imported by the organizations for their official use. In addition, the organizations are granted juridical personality thereby enabling them to enter into contracts and to acquire and dispose of real and personal property. The organizations are exempt from including as gross income for income tax purposes the income they derive from investments in the United States. Representatives of foreign governments in or to designated international organizations and the officers and employees of such organizations are granted immunity from suit and legal process relating to acts performed by them in their official capacity and falling within their functions as such representatives, officers, or employees. Representatives of governments and nonresident alien officers and employees of designated organizations may exclude from gross income for income tax purposes the salary paid them by the employing government or international organization.

The Pan American Health Organization had its origin in a resolution adopted at the Second International Conference of American States held in 1901–02, which recommended the convening of

periodic public health conferences of representatives of the American Republics and the creation of a permanent international sanitary bureau in Washington. As a result of this resolution, the First General International Sanitary Conference of the American Republics was held in Washington in December 1902; this Conference established the International Sanitary Bureau and defined its functions. The name was changed to "Pan American Sanitary Bureau" in 1923, and in 1924 a revised Pan American Sanitary Code was embodied in a new convention which broadened the scope of the Bureau's activities. In 1947 the name "Pan American Sanitary Organization" was adopted when a reorganization plan was approved. At this time the Organization was designated to serve as the regional office of the World Health Organization in the Western Hemisphere. In 1958 the Organization's name was again changed to the "Pan American Health Organization" to reflect more accurately the activities and purpose of the Organization. The name "Pan American Sanitary Bureau" will be continued and will apply to the secretariat, or administrative organ, of the PAHO.

The functions and objectives of the Organization include a continuing attack on disease at its sources, reduction or elimination of the necessity of costly quarantines, and the stimulation and support of national health authorities in the Americas in their efforts to control disease.

All of the 21 American Republics are members of the PAHO.

The Organization is governed by an executive committee composed of seven members which are elected by the Directing Council or the Conference when it convenes. A general conference of the entire membership is held every 4 years.

Executive Order 10864 [1]

DESIGNATING THE PAN AMERICAN HEALTH ORGANIZATION AS A PUBLIC INTERNATIONAL ORGANIZATION ENTITLED TO ENJOY CERTAIN PRIVILEGES, EXEMPTIONS, AND IMMUNITIES

By virtue of the authority vested in me by section 1 of the International Organizations Immunities Act, approved December 29, 1945 (59 Stat. 669), and having found that the United States participates in the Pan American Health Organization pursuant to the authority of the Pan American Sanitary Convention ratified by the President on March 28, 1925, with the advice and consent of the Senate given on February 23, 1925 (44 Stat. 2031, TS 714), I hereby designate the Pan American Health Organization as a public international organization entitled to enjoy the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act.

The designation of the Pan American Health Organization as a public international organization within the meaning of the International Organizations Immunities Act is not intended to abridge in any respect privileges, exemptions, and immunities which that organization may have acquired or may acquire by treaty or congressional action.

The designation of the Pan American Health Organization made by this order shall be deemed to include the designation of the Pan American Sanitary Bureau. The designation of the Pan American Sanitary Bureau made by Executive Order No. 9751 of July 11, 1946, is hereby superseded, and that order is amended accordingly.

Dwight D. Eisenhower

THE WHITE HOUSE,
February 18, 1960.

[1] 25 *Fed. Reg.* 1507.

SOUTHEAST ASIA TREATY ORGANIZATION

White House Press release dated February 20

White House Announcement

The President on February 20 issued an Executive order designating the Southeast Asia Treaty Organization (SEATO) as a public international organization entitled to the benefits of the International Organizations Immunities Act of December 29, 1945.

The International Organizations Immunities Act provides that certain privileges, exemptions and immunities shall be extended to such public international organizations as shall have been designated by the President through appropriate Executive order, and to their officers and employees and the representatives of member states to such organizations.

The act grants designated international organizations immunity from suit and judicial process and exempts them from customs duties and internal revenue taxes imposed upon goods and effects imported by the organizations for their official use. In addition, the organizations are granted juridical personality thereby enabling them to enter into contracts and to acquire and dispose of real and personal property. The organizations are exempt from including as gro

income for income tax purposes the income they derive from investments in the United States. Representatives of foreign governments in or to designated international organizations and the officers and employees of such organizations are granted immunity from suit and legal process relating to acts performed by them in their official capacity and falling within their functions as such representatives, officers or employees. Representatives of governments and nonresident alien officers and employees of designated organizations may exclude from gross income for income tax purposes the salary paid them by the employing government or international organization respectively. These individuals are exempt also from the application of the Social Security Act, the Federal Insurance Contributions Act, and the Federal Unemployment Tax Act.

The United States joined Australia, France, New Zealand, Pakistan, the Philippines, Thailand, and the United Kingdom on September 8, 1954, in signing the Southeast Asia Collective Defense Treaty.[2] This treaty, which established the Southeast Asia Treaty Organization, came into force on February 19, 1955, when it had been ratified by the eight signatory countries. The headquarters of the Organization is at Bangkok.

In signing the Southeast Asia Collective Defense Treaty, the parties declared their faith in the purpose and principles set forth in the United Nations Charter, their belief in the principle of equal rights and self-determination of all peoples, their sense of unity in providing for the preservation of peace and security, and their desire to promote through individual and collective efforts the economic well-being of all peoples in the treaty area.

Executive Order 10866[3]

DESIGNATING THE SOUTHEAST ASIA TREATY ORGANIZATION AS A PUBLIC INTERNATIONAL ORGANIZATION ENTITLED TO ENJOY CERTAIN PRIVILEGES, EXEMPTIONS, AND IMMUNITIES

By virtue of the authority vested in me by section 1 of the International Organizations Immunities Act, approved December 29, 1945 (59 Stat. 669), and having found that the United States participates in the Southeast Asia Treaty Organization pursuant to the authority of the Southeast Asia Collective Defense Treaty ratified by the President on February 4, 1955, with the advice and consent of the Senate given on February 1, 1955 (6 UST 81, T.I.A.S. 3170), I hereby designate the Southeast Asia Treaty Organization as a public international organization entitled to enjoy the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act.

The designation of the Southeast Asia Treaty Organization as a public international organization within the meaning of the International Organizations Immunities Act is not intended to abridge in any respect privileges, exemptions, and immunities which that organization may have acquired or may acquire by treaty or congressional action.

Dwight D. Eisenhower

THE WHITE HOUSE,
February 20, 1960.

[2] For text, see BULLETIN of Sept. 20, 1954, p. 393.
[3] 25 *Fed. Reg.* 1584.

United States Delegations to International Conferences

U.N. Commission on Status of Women

The Department of State announced on March 24 (press release 153) the members of the U.S. delegation to the 14th session of the Commission on Status of Women of the U.N. Economic and Social Council, which will convene at Buenos Aires March 28.

Lorena B. Hahn will head the delegation in her capacity as U.S. Representative on the Commission. She will be assisted by Mary B. Goodhue, member of the law firm of Goodhue and Liebowitz, Mt. Kisco, N.Y.; Alice A. Morrison, chief, Division of Women's Labor Law and Civil and Political Status, Women's Bureau, Department of Labor; and Julian L. Nugent, Jr., U.S. Embassy, Buenos Aires, as advisers.

The Commission is an advisory body to the Economic and Social Council. It was established in 1946 for the purpose of preparing recommendations and reports on promoting women's rights in political, economic, civil, social, and educational facilities. It also makes recommendations to the Council on urgent problems in line with the objectives stated in the United Nations Charter, which reaffirms faith in the equal rights of men and women.

Matters to be discussed at this session include the political rights of women, equal pay for equal work, economic opportunities, and elimination of child marriages.

TREATY INFORMATION

U.S. and The West Indies Sign Financial Agreement

Press release 143 dated March 22

The Department of State announced on March 22 the signing of an agreement with The West Indies to increase the financial resources of the new Caribbean federation's Development Loan and Guaranty Fund. The U.S. Government agreed to provide, through the International Cooperation Administration, $2.5 million to be added to moneys already appropriated by The West Indies for the newly established development fund.

The fund is designed to fill urgent needs in the investment field in The West Indies by encouraging greater private participation in the process of economic development, facilitating the greater use of available loan capital at reasonable terms and interest rates, and attracting additional internal and external capital.

The federal Development Loan and Guaranty Fund will assist in carrying out development measures on a regional basis (particularly in small- and medium-sized industry and tourism) which could not be started for lack of internal financial resources or of investment institutions extending long-term credits.

The agreement was signed at the diplomatic reception room of the Department of State by Robert Bradshaw, Federal Minister of Finance of The West Indies, and Rollin S. Atwood, ICA Regional Director for Latin American Operations.

Current Actions

MULTILATERAL

Automotive Traffic

Convention concerning customs facilities for touring. Done at New York June 4, 1954. Entered into force September 11, 1957. TIAS 3879.
Ratification deposited: Bulgaria, October 7, 1959; Philippines, February 9, 1960.

Customs convention on temporary importation of private road vehicles. Done at New York June 4, 1954. Entered into force December 15, 1957. TIAS 3943.
Ratification deposited: Philippines, February 9, 1960.

Cultural Property

Convention for the protection of cultural property in the event of armed conflict and regulations of execution. Done at The Hague May 14, 1954. Entered into force August 7, 1956.[1]
Accession deposited: Dominican Republic, January 5, 1960.

Genocide

Convention on the prevention and punishment of the crime of genocide. Done at Paris December 9, 1948. Entered into force January 12, 1951.[1]
Ratification deposited: Peru, February 24, 1960.

Health

Amendments to articles 24 and 25 of the World Health Organization Constitution of July 22, 1946 (TIAS 1808). Adopted by the 12th World Health Assembly Geneva May 28, 1959.[2]
Acceptances deposited: Federation of Malaya, February 4, 1960; Libya and Paraguay, February 8, 1960; El Salvador, February 10, 1960; Bulgaria, February 11, 1960; Pakistan, February 12, 1960; Poland, February 18, 1960; Honduras and India, February 23, 1960; Canada, February 25, 1960.

Telecommunications

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1952 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960. TIAS 4390.
Notification of approval: Ethiopia, January 29, 1960; Union of Soviet Socialist Republics, February 6, 1960; Netherlands (with reservations) and Pakistan, February 10, 1960.

Trade and Commerce

Declaration on the provisional accession of Israel to the General Agreement on Tariffs and Trade. Done at Geneva May 29, 1959. Entered into force October 9, 1959; for the United States December 19, 1959. TIAS 4384.
Signature: Chile, February 1, 1960.

BILATERAL

Germany, Federal Republic of

Agreement extending agreement for the lease of air navigation equipment of August 2, 1955, as extended (TIAS 3464 and 4062). Effected by exchange of notes at Bonn November 3, 1959, and January 8, 1960. Entered into force January 8, 1960.

Agreement relating to the return of the Emden-Cherbourg-Horta submarine telegraph cable to German ownership. Effected by exchange of notes at Washington November 4, 1959, and March 16, 1960. Entered into force March 16, 1960.

Honduras

Agreement relating to radio communications between amateur stations on behalf of third parties. Effected by exchanges of notes at Tegucigalpa October 26, 1959 and February 17 and 19, 1960. Entered into force March 17, 1960.

India

Agreement supplementing the agricultural commodities agreement of November 13, 1959, as supplemented (TIAS 4354 and 4400). Effected by exchange of notes at Washington March 21, 1960. Entered into force March 21, 1960.

[1] Not in force for the United States.

[2] Not in force.

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No.	Date	Subject
*141	3/21	Revisions in program for visit of Spanish Foreign Minister.
†142	3/21	Loan to Morocco.
143	3/22	Financial agreement with West Indies.
144	3/22	Imprisonment of Bishop Walsh by Communist China.
145	3/22	Dillon: testimony on 1961 Mutual Security Program.
146	3/22	Herter: testimony on 1961 Mutual Security Program.
147	3/23	Iran credentials (rewrite).
†148	3/23	Herter, Castiella: arrival of Spanish Foreign Minister.
149	3/23	Riddleberger: testimony on 1961 Mutual Security Program.
*150	3/23	Program for visit of Polish Deputy Prime Minister.
†151	3/23	U.S.–Spain communique.
152	3/24	Legal status of Berlin (with map) (rewrite).
153	3/24	Delegation to U.N. Commission on Status of Women (rewrite).
154	3/24	Food grains sent to Lebanon.
155	3/25	Herter: news conference.
†157	3/24	Wilcox: "The New Africa and the United Nations."

*Not printed.
†Held for a later issue of the BULLETIN.

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THE MUTUAL SECURITY PROGRAM FISCAL YEAR 1961

A Summary Presentation

Proposed mutual security programs for fiscal year 1961 are outlined in this 125-page pamphlet prepared jointly by the Department of State, Department of Defense, International Cooperation Administration, and the Development Loan Fund. The booklet is a summary of the annual request for funds submitted to Congress for its consideration and includes the text of the President's message to Congress on the program.

Part I of the pamphlet reviews proposals for major aspects of the program, including military assistance, defense support, special assistance, the Development Loan Fund, technical cooperation, the contingency fund, and other programs. Part II discusses the program by regions. Part III deals with such related matters as free-world cooperation in assisting less developed areas, the surplus agricultural commodity program, stimulation of private investment in the less developed areas, and the impact of the Mutual Security Program on the U.S. economy.

The pamphlet is illustrated with charts, graphs, and photographs. Copies may be purchased from the Superintendent of Documents, U.S. Government Printing Office, for 55 cents each.

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THE DEPARTMENT OF STATE

Bulletin

Vol. XLII, No. 1086 • Publication 6977

April 18, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 20, 1958).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the Department of State Bulletin as the source will be appreciated.

President Eisenhower and Prime Minister Macmillan Discuss Nuclear Test Negotiations

President Eisenhower and British Prime Minister Harold Macmillan met at Camp David, Md., March 28 and 29 to discuss the present state of negotiations at the Geneva Conference on the Discontinuance of Nuclear Weapons Tests. Following are texts of a statement by President Eisenhower released jointly by the United Kingdom and the United States on March 28, a joint declaration of March 29, and a welcoming statement made by Secretary Herter on March 26, when Prime Minister Macmillan arrived at Andrews Air Force Base.

STATEMENT BY PRESIDENT EISENHOWER, MARCH 28

White House (Camp David) press release dated March 28

The Prime Minister and I have agreed upon the following statement as we begin our conversations at Camp David:

The main object of this meeting, of course, is to consider the present state of the negotiations in Geneva for the suspension of nuclear tests. We will be studying the various aspects of the most recent Soviet proposal[1] and what this proposal means to the free world.

This Geneva Conference has rightly attracted the attention of the entire world. It is dealing with a subject of interest to all people and not just the three countries engaged in the negotiation.

Certainly both of us are aware of the importance of arriving at a properly safeguarded agreement with the Soviet Union on the suspension of nuclear tests, both because of the intrinsic importance of this objective and because of the impetus which it might give to progress in the broader field of the reduction and control of armaments.

We are confident that out of our talks here will come agreement on how we proceed as partners in this all-important task of helping to bring a true and just peace to the world. With this explanation of the purpose of the meeting we are sure you will not expect to get too much in the way of spot news during the course of our discussions.

JOINT DECLARATION ON TESTS, MARCH 29

White House (Camp David) press release dated March 29

President Eisenhower and Prime Minister Macmillan have discussed the present position of the nuclear tests conference at Geneva between the United States, United Kingdom and the Soviet Union.

It has been, and remains, the earnest desire of both the United States Government and Her Majesty's Government in the United Kingdom to achieve, by international agreement, the total prohibition of all nuclear weapons tests, under effective international control.

When the Geneva Conference began seventeen months ago, there was reason to hope from the preliminary scientific discussions which had preceded it that there would be no insuperable technical or scientific difficulties in establishing an effective control system capable of detecting nuclear tests of all kinds. Subsequently, however, it appeared from further scientific research that in our present state of knowledge there are great technical problems involved in setting up a control system which would be effective in detecting underground nuclear tests below a certain size. It is, however, the sincere hope of the President and the Prime Minister that an agreed program of coordinated scientific research, undertaken by the three countries, will lead in time to a solution of this problem.

[1] For background, see BULLETIN of Apr. 11, 1960, p. 547, footnote 1.

Meanwhile, the President and the Prime Minister believe that progress can be made toward their ultimate objective of a comprehensive agreement. They have agreed that much has been accomplished in these Geneva negotiations toward this objective. They point out that in the effort to achieve the early conclusion of a treaty there are a number of important specific problems to be resolved. These include the questions of an adequate quota of on-site inspections, the composition of the Control Commission, control post staffing, and voting matters, as well as arrangements for peaceful purposes detonations. They believe that negotiation on these points should be speeded up and completed at the earliest possible time. The Prime Minister and the President have agreed that as soon as this treaty has been signed and arrangements made for a coordinated research program for the purpose of progressively improving control methods for events below a seismic magnitude of 4.75, they will be ready to institute a voluntary moratorium of agreed duration on nuclear weapons tests below that threshold, to be accomplished by unilateral declaration of each of the three powers. In order to expedite progress, the President and the Prime Minister have agreed to invite the Soviet Government to join at once with their two Governments in making arrangements for such a coordinated research program and putting it into operation.

It is to be understood that once the treaty is signed, ratification will have to follow the constitutional processes of each country.

The President and the Prime Minister have agreed to give instructions to their delegates at Geneva in accordance with the spirit of this declaration.

WELCOMING STATEMENT BY SECRETARY HERTER, MARCH 26

Press release 156 dated March 28

Mr. Prime Minister, I welcome you to Washington on behalf of the President. Your coming here is in accord with the longstanding practice of frequent consultation between the leaders of our two countries. We are glad to have you with us and are looking forward to exchanging views with you on the problems which are of such importance to the peace and security of the world.

United Nations Day, 1960

A PROCLAMATION[1]

WHEREAS the establishment of a just and enduring peace throughout the world is essential to the survival of civilization; and

WHEREAS the United Nations is a powerful instrument for guarding mankind against the calamity of war and for establishing the rule of law among nations; and

WHEREAS the United Nations has demonstrated its ability to assist in the orderly progress of dependent peoples toward self-government; to help those who live in underdeveloped areas to become self-sustaining; and to drive back the forces of disease and poverty wherever found; and

WHEREAS the United States supports the United Nations with unswerving loyalty as it works to advance the economic, social, and spiritual well-being of all peoples; and

WHEREAS the General Assembly of the United Nations has resolved that October twenty-fourth, the anniversary of the coming into force of the United Nations Charter, should be dedicated each year to making known the purposes, principles, and accomplishments of the United Nations:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby urge the citizens of this Nation to observe Monday, October 24, 1960, as United Nations Day by means of community programs which will demonstrate their faith in and support of the United Nations and contribute to a better understanding of its aims, problems, and achievements.

I also call upon the officials of the Federal and State Governments and upon local officials to encourage citizen groups and agencies of the press, radio, television, and motion pictures to engage in appropriate observance of United Nations Day throughout the land in cooperation with the United States Committee for the United Nations and other organizations.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this thirty-first day of March in the year of our Lord nineteen hundred and sixty, and of the Independence of the United States of America the one hundred and eighty-fourth.

[SEAL]

Dwight D. Eisenhower

By the President:
CHRISTIAN A. HERTER,
Secretary of State.

[1] No. 3341; 25 *Fed. Reg.* 2831.

The New Africa and the United Nations

by Francis O. Wilcox
Assistant Secretary for International Organization Affairs[1]

I returned from Africa[2] profoundly impressed by the far-reaching changes that are taking place there. These changes, which involve the transfer of political power to African leadership, constitute one of the most important developments of the 20th century.

The whole continent is astir as the march toward self-government and independence continues with amazing speed. In most countries there is no longer any question as to whether independence will come; the only question is how soon. It is fairly safe to say that more new sovereign states will be created in Africa during the next few years than have ever been created before during any comparable period in world history. The 1960's may well be the African decade.

The challenge presented by these developments is of major importance to the United States and to the United Nations. I would like to examine with you tonight the main elements of that challenge.

The Challenge of Africa

The sheer size of Africa staggers the imagination, confounds the scholar, and, I have had occasion to discover, wearies the traveler. It is as large as the United States, Western Europe, India, and the Chinese mainland put together. Within its borders live over 200 million people, including virtually all the races and religions of mankind. There are some 700 indigenous languages currently in use, with many of the educated leaders having mastered at least one modern European tongue.

This world within a world is so diversified that one is tempted to describe it by paradox. It is the home of the world's shortest and tallest human beings, the Batwa, or pygmies, and Batutsi, who live side by side in the Trust Territory of Ruanda-Urundi. The continent is burgeoning with natural resources; it is a treasure trove of diamonds, gold, and scarce minerals, and oil has been discovered in large quantities in the middle of one of the most desolate spots on earth, the Sahara. Despite these riches you can find there some of the world's worst slums and abysmally low living standards. Over large areas of the continent there is acute race conflict, but at the same time a number of white Europeans, nominated and elected by black Africans, are now serving in legislatures and cabinets in the self-governing states of former French West and Equatorial Africa. Illiteracy is widespread; but there is a fervent desire for education, and most of the newly independent countries are devoting large proportions of their time, effort, and money to teaching their citizens.

Is anything certain in all this enormous, complex region? I think so. Africa is on the march. The achievement of political independence and economic growth is the burning aspiration of the overwhelming majority of the people of the continent. From the outside this appears as the last stage of an important historical process, inevitable and a little disorderly, but for the people concerned it is a matter of great urgency.

As more and more African states become independent, they tend to look to the United States

[1] Address made at the University of Kentucky, Lexington, Ky., on Mar. 25 (press release 157 dated Mar. 24).

[2] Mr. Wilcox was in Africa from Jan. 21 to Feb. 19; he visited Tunisia, Kenya, Tanganyika, the Union of South Africa, the Republic of Congo, Nigeria, Ghana, and Senegal.

and the United Nations for assistance in solving the prodigious problems which confront them. I believe that the future position of the United States and the free world is closely tied up with the success of their efforts. Certainly the failure of these people to achieve economic and social progress under free governments of their own choosing would be a serious setback to free-world interests.

Where does the United States stand with respect to these developments? Some critics have attempted to claim that our position has been marred by ambiguities and reservations; others have accused us of going too far too fast. It seems to me that our attitude has been clear. There is no wavering in our conviction that the orderly transition from colonial rule to self-government or independence should be carried resolutely to completion. We have said so repeatedly, and I am happy to say it again. Our history and traditions could not permit us to react otherwise.

Everywhere I went in Africa I found an encouraging reservoir of good will for America. The people of Africa look upon the United States as a friend and as a nation that can naturally sympathize with their aims and aspirations. They would be greatly surprised and deeply disappointed if we did not extend a helping hand in their hour of need.

Importance of African States in United Nations

It is inevitable that the rapid evolution of what could once be described as the Dark Continent should have a profound effect on the United Nations. One measure of Africa's place in the world organization is that nearly one-third—35 in all—of the 123 resolutions adopted by the 14th General Assembly last fall dealt specifically with African affairs. These resolutions ranged from such difficult problems as French nuclear tests in the Sahara and race conflict in South Africa to less difficult but basic questions such as the training of indigenous civil servants in the trust territories.

If the United Nations has come to devote more and more time to discussion of African problems, world problems in general have been influenced increasingly by the presence in the U.N. of African states. There are now 10 African states in the United Nations: Ethiopia, Ghana, Guinea, Liberia, Libya, Morocco, Sudan, Tunisia, the United Arab Republic, and the Union of South Africa. They will be joined later this year by at least five and possibly six or more new members: Cameroun, Togo, the Belgian Congo, Somalia, and Nigeria, and probably by the Mali Federation and the Malagasy Republic (Madagascar), whose leaders are now negotiating in Paris for full independence within a modified French Community.

Not only is the continent of Africa on the move; this revolution has called forth corresponding movement within the United Nations itself. It seems clear that within a very few years African states will become the largest single regional group in the United Nations. You will remember that there were 51 original members of the United Nations. There are now 82, and in another few years membership will probably total over 100, with perhaps as many as 30 coming from the African Continent.

There are some who argue that the prospective enlargement will mean that the United Nations will no longer be a useful instrument for promoting the national interests of the United States or promoting the cause of world peace. This strikes me as an unduly pessimistic view. That the General Assembly will become more unwieldy is undeniable. That the future growth of the United Nations will strengthen the anticolonial forces is likewise quite apparent. That the drive of the underdeveloped countries for a greater voice in international affairs and greater benefits to them will be enhanced is also evident.

But there is no real cause for alarm. In practice, while there is a tendency for the African and Asian states to band together on certain issues, the states of Asia and Africa do not regularly vote together as a bloc. The so-called "Asian-African bloc"—which is a misnomer—is made up of states with differing interests arising from diversity of history, culture, traditions, and geographic location.

There is great opportunity within the framework of the United Nations for cooperative efforts between ourselves and the African states to advance our mutual interests. True, African members thus far have been mainly preoccupied with colonial problems and the support of independence for the remaining dependent areas in Africa. They have tended to keep out of the controversies which have divided the West and the Communist

›loc. However, we can expect that the African ›tates will focus their attention increasingly on ›roblems of worldwide concern as the remaining lependencies attain sovereignty.

We must not assume that the addition of numer- ›us African states means that the United States vill be outvoted in the United Nations. On issues 'ital to our interests and those of the free world, videspread support will continue to be forthcom- ng. There is, in fact, a broad identity of common nterest which we share with the states of Africa. :f we take into account in sufficient measure the .spirations and the objectives of so many of the ıewly emerging states, we can utilize the United Nations for constructive leadership. The United Nations has demonstrated time and time again a 'emarkable capacity for flexibility and adjustment n the face of new circumstances.

In the expanded United Nations there will be nore than ever before a premium on constructive ›olicies. It is up to us to continue to bring for- vard such policies. We should not forget that the Jnited Nations is in many ways a mirror of our ›olitical influence in the world, a barometer of 'elations among states.

I am confident that with patience and resource- :ulness our position in the United Nations, this 'ear and in the future, will continue to promote ›ur interests and serve the cause of world peace.

:hallenge of African Issues in United Nations

Since its beginning the United Nations has ›een deeply involved in the consideration of co- onial and trusteeship questions in Africa and hroughout the world. For our part we have ought to participate constructively in these dis- ussions. Since the days of Woodrow Wilson the Jnited States has been largely responsible for ıniversal acceptance of the idea that administer- ng powers should be accountable to the interna- ional community. I am convinced that the rusteeship system has had a major impact on he development of the African Continent. It has et the sights of the administering powers on ıigher international standards of administration. ;t is no accident that five of the seven African rust territories will have become independent by Iarch 1961 and that important progress will also ıave been made by the non-self-governing erritories.

In stating this, I do not wish to detract from the solid achievements of the United Kingdom, France, Belgium, and Italy in bringing their dependent peoples to the stage of independence.

If colonialism is now rejected by virtually all Africans, one may well ask whether its role has been lacking in constructive achievement. Some observers of African affairs insist that it has. It seems to me that the reverse is true. It is becoming more and more apparent that the system has played a necessary role in the political, social, and economic development of the continent. It has provided one of the essential channels through which the knowledge and skills of the more developed countries could be made available to the peoples of Africa. In a recent statement former Ambassador Charles T. O. King of Liberia explained that Liberian poverty stemmed from the fact that his country had always been independent and had therefore never reaped the material benefits of colonialism. The difference, he continued, was comparable to that between the home of a man who has had to accomplish everything by his own sweat and toil and that of a man who has enjoyed a large inheritance.

There inevitably comes a time when a dependent people wishes to manage its own affairs. Once this stage is reached—and it has been attained in large areas of Africa—the wise administrator looks for a new relationship. That a modern and mutually beneficial relationship has been created so often is indeed a tribute to the good sense of both partners.

It is, of course, essential that any future relationship between Africa and the Western nations be freely chosen by the African nations themselves. Nevertheless, it is our earnest hope that the people of Africa will recognize the affinity of interests which they share not only with the United States but also with former administering powers of Western Europe. In other words, we hope that the colonial relationship can be replaced by a new relationship of friendship and cooperation based upon equality, mutual respect, and mutual benefit.

One example among many is the new relationship being evolved between France and the Mali Federation, which I recently had occasion to observe. After the independence of Mali in 1960, France will itself propose Mali's candidacy to the

United Nations. It appears to me that this promises well for Mali's future, because it is a reflection of the sentiments of mutual good will and understanding which characterize relations between France and Mali.

Algerian Question

I would be less than candid if I did not admit that there were a number of other questions not so easily resolved and which cause us great concern. The Algerian question is a case in point. In Algeria a minority of European extraction lives amid a Muslim majority. These two communities, which almost literally cannot survive without each other, find it difficult to live side by side under the terms which have prevailed in the past. A Muslim nationalist movement has for the past 6 years been fighting for the ultimate goal of Algerian independence. France denies that the nationalist organization speaks for the mass of Algerians and, while trying to adapt the administration of Algeria to the changing times, is fighting to prevent the severance of Algeria's ties with France. In these circumstances, clearly, no solution is possible without good faith and restraint by all concerned.

We have great sympathy for and much in common with France, our oldest ally. At the same time we believe it is important that effect be given to the aspirations of the people of Algeria by peaceful means. We are anxious to see an end to violence and bloodshed. We favor a just, peaceful, and democratic solution.

The bitterness of conflict, the shadow of fear, and the gnawing worry of uncertainty, all add to the inherent complexities of the problem. Last September President de Gaulle made a far-reaching and significant declaration concerning the problem of Algeria. In this declaration the principle of self-determination was recognized specifically as being applicable to Algeria. We welcomed this declaration, in the words of President Eisenhower, "containing explicit promises of self-determination for the Algerian peoples." [3] While recent difficulties in Algeria have not enhanced the prospects, the United States nevertheless continues to hope that circumstances will evolve in such a way that a just, peaceful, and democratic solution for Algeria will soon be realized.

[3] For texts of statements by President Eisenhower and Secretary Herter, see BULLETIN of Oct. 12, 1959, p. 500.

Race Question in South Africa

A quite different problem exists on the southern tip of the continent.

The race question in the Union of South Africa is basic, extremely complex, and undoubtedly represents one of the United Nations' thorniest problems. The present population of the Union is estimated at nearly 14 million, divided into 3 million Europeans, about 9 million Africans, 1¼ million "coloreds," i.e. descendants of mixed marriages, and around ½ million Indians. The Union Government has officially espoused the doctrine of *apartheid*, or separate development. In theory, *apartheid* eventually will be made fully effective by the removal of the Africans to their own self-administered reserves, but in the meantime the black man is subject to a number of discriminatory practices.

This racial discrimination has been extensively debated at the United Nations, and for the last 5 years resolutions critical of the Union's policy were adopted by overwhelming majorities.[4] What is most serious in this situation is that the policy of *apartheid* is buttressed and formally approved by statute. While recognizing the shortcomings of the Union of South Africa in the field of human rights, we have always been reluctant to single it out for criticism when so many other nations in the world, including our own, have not been beyond reproach.

We need all the understanding possible to cope with the problems found on the opposite tips of the continent. On the one hand, the sentiments of those who feel oppressed and discriminated against are easy to understand. On the other hand, one can appreciate the feelings of people who established themselves in a new land at a time when our ancestors were doing the same thing on the soil of America but who now find themselves a minority in a restlessly stirring continent. But understanding need not mean approval, and no doubt that any policy based upon the long-range domination of one racial group by another can very long endure.

This calls to mind the fundamental principle which was stated so well by the New York *Times* not long ago: "If all God's chillun don't have wings, as the old spiritual says they do, then none of them have wings."

[4] For background, see *ibid.*, Nov. 24, 1958, p. 842, and Dec. 28, 1959, p. 948.

These are not the only areas in which racial conflict exists or can be foreseen. But the gratifying thing to me is that it is so little prevalent. Over vast stretches of the continent the white man is accepted without bitterness or hatred and individuals are judged in accordance with their personalities and intentions. This surely speaks well for the character and personality of the peoples of Africa.

Challenge of Assistance to New African States

Other major African problems were aptly defined by U.N. Secretary-General Hammarskjold recently. Following his 24-country African visit, the Secretary-General told a news conference on February 4:

> On the continent of Africa, there is the problem of personnel. There is the problem of money. There is the problem of education, and there is the problem of, let us say, moral support in the reshaping and shaping of a nation.

What can the United States and the United Nations do to assist in these fields?

The requirement for trained personnel is acute in many parts of Africa. Civil services have until recently been staffed largely by trained European administrators and technicians. Inevitably many of these will leave, once the countries they have helped to administer become independent. Even when they are willing to continue on the job, the new African governments have a perfectly understandable desire to staff their bureaucracies with indigenous personnel as rapidly as feasible. In those rare cases such as Guinea, where the attainment of independence was abrupt and angry, prodigious problems can be posed for the African administrations.

It has been argued that personnel shortages in Africa stem from shortcomings of the educational systems provided by the administering powers. This is only part of the truth. It seems that everyone, African and European alike, underestimated the rapidity of political developments on the continent. European educators therefore usually stressed quality rather than quantity of education. The attitude of everyone concerned has been changing radically, and there is an intense desire on the part of Africans everywhere for education and a willingness on the part of Europeans to provide it.

With few exceptions there is everywhere in Africa a clear lack of capital development and even of funds for basic government operations. The United Nations, for example, has long been concerned over the budgetary deficit which Somalia will face after independence, a deficit amounting to approximately $5 million a year for at least the next 10 years. The problem of Somalia has been extensively debated and is generally known because it was a U.N. trust territory, but the fact is there are a good many other African countries in similar financial straits.

Until very recently United States assistance to African countries was but a minute proportion of our total world commitments. The emergence of so many independent African states presents us with real challenges, and to meet them the United States and the United Nations are actively planning new programs of assistance.

One approach is to expand our bilateral assistance. Congress has been asked to include in its appropriation for ICA for 1961 the sum of $20 million for a special program for tropical Africa.[5] This sum would be over and above the normal expenditures of the International Cooperation Administration in Africa for technical assistance and capital development. We plan to use most of these funds in assisting African leaders with basic educational planning and program development, teacher training, language training, vocational and agricultural training programs, and related fields. It would also be used to encourage regional cooperation for the development of Africa's resources.

United Nations Assistance

We are also encouraging and supporting the utilization of the United Nations as a constructive force in the advancement of Africa.

In 1959, for example, the U.N. sent over 600 technical experts to Africa. It also gave fellowships to over 400 Africans, enabling them to study abroad in order to acquire the know-how that will help Africa to provide its own experts in the future. I believe this program should be substantially increased.

In addition, the United Nations Special Fund, established in 1959, launched in its first year of existence seven projects for Africa, with a total value of $5.5 million. These projects in Ghana, Nigeria, Guinea, Libya, and Egypt, together with one regional project, will help encourage further

[5] See also p. 603.

investments of public and private funds on the continent.

Another new program, and one that is still in its experimental stages, is generally known as the OPEX program. This program will provide experienced operational and executive personnel from abroad to serve as government officials in new countries where such assistance is requested because of a dearth of experienced people. Many requests for this type of assistance have been received by the United Nations from Africa, and it is expected that this program will be of real value to those countries.

The specialized agencies of the United Nations are also doing increasingly important work in Africa. I might mention in particular the World Health Organization, the International Bank for Reconstruction and Development, the United Nations Educational, Scientific and Cultural Organization, the International Labor Organization, and the Food and Agriculture Organization. There are still others besides these which put their specialized knowledge and skill to work to solve the pressing problems of underdevelopment.

More and more countries have been increasing their contributions to the United Nations assistance programs, but still greater contributions will be required if the U.N. is to meet the expanding needs in Africa. We have hopes that the necessary financial resources will be forthcoming. We are sure that, if the U.N. can play its full role in assisting the development of the young countries of Africa, the benefits will accrue not only to Africa but to the U.N. and to ourselves and the world in general.

What is equally important to define and implement is what Mr. Hammarskjold called "moral support in the reshaping and shaping of a nation." I think it can be explained by citing the words of one Ghanaian statesman: "What we want from the United States is sympathy for our aspirations, and understanding for our mistakes."

U.S. Understanding of African Problems

It has seemed to me that the United States was uniquely equipped to understand African problems and aspirations and to lend this moral support. For example, there has been considerable discussion in this country recently about Africa's capacity to sustain democratic governments.

I would like in this connection to quote briefly from an article entitled "Will Democracy Work in Africa?" by the outstanding Tanganyika political leader, Mr. Julius Nyerere. Mr. Nyerere points out:

> A country's struggle for freedom . . . leaves no room for differences. . . . It is this nationalist movement which fights for, and achieves, independence. It, therefore, inevitably forms the first government of the independent state. It would surely be ridiculous to expect that a country should voluntarily divide itself for the sake of conforming to a particular expression of "democracy" which happens to be seen in terms of a government party and an opposition party; and to expect a country to do this in midstream and during a struggle which calls for the complete unity of all its people.

Mr. Nyerere's statement may well recall some of our own experiences after the American Revolution, when for a short period we had only one political party in our country. I would hope, however, that the one-party system where it exists in Africa will be designed to serve as a transition to a more advanced stage of democratic government.

Most of the political forces in Africa today—the urge for independence, the attempt to form representative governments, and the campaign for African unity—can be illuminated by a return to our own history. There is something of a parallel here which has not escaped many African statesmen, who often speak in terms of a "United States of Africa" or who otherwise mention the American experience to throw light on their own difficulties. Nothing would disillusion the African more than to find that the lessons he has learned in American universities have been forgotten by Americans.

There is another factor, apart from shared historical experience, that should facilitate understanding between the Africans and ourselves. That is the very important fact that 10 percent of the American population is of African origin. Indeed, there are more people of African origin in the United States than there are in any other country or territory in the world except Nigeria. It is understandable that our people have watched African developments with strong interest. Among our own Negro fellow citizens there are many men and women who can play useful roles in building bridges between the United States and Africa.

As I have pointed out above, there has been

a great deal of interest in the idea of a federated Africa or a "United States of Africa." Most African leaders with whom I talked expressed the view that this is an ideal that does not have much practical significance at the present time. In fact, each emerging state is now confronted with a formidable array of urgent domestic problems which it must resolve. These matters must take priority over the complicated issues involved in a united Africa. Consequently, even though there may be a tendency for certain states in particular regions to federate, or at the very least to work closely together on problems of mutual interest, I doubt very much if any significant progress toward a united Africa can be made in the near future.

Special Problems of New Africa

In looking to the future of Africa there are several very real dangers which the new countries will face and which most responsible African leaders readily acknowledge. Let me refer briefly to each of these.

First of all, there will be the temptation not to use to the fullest the administrative competence and the technical know-how available among the white elements of the population. We can all recall just how much political appeal the maxim "Throw the rascals out" had during certain periods in our own history. By the same token, political extremists in Africa, disregarding their nation's welfare, may well insist upon the premature withdrawal of white men from positions of responsibility.

Such a trend could have disastrous consequences. It could result in lower standards of administration when better government should be the goal. It could engender hostility and animosity instead of the teamwork between the Europeans and the Africans that is so desperately needed. It could create instability and thus discourage foreign aid and private investment, both of which are essential to real progress.

Another danger lies in the ever-present threat of Communist subversion and intrigue. It is true that in the countries I visited I heard few reports of any effective Communist activity. Indeed, at the present time there are relatively few individual Communists or organized Communist parties on the continent. Such Communist parties as do exist in the independent African states are small and severely circumscribed by governments jealous of their newly won independence. I am convinced, however, that in the future Communist leaders will redouble their efforts to increase their influence among the young people, in the trade union movement, and in other strategic segments of the African population.

The major Communist threat to Africa at the moment is an external one. By that I mean the persistent attempts of international communism to penetrate and subvert the newly emerging nations of Africa. Although African governments generally are aware of the problem and seem determined to curtail subversive activities, we must not underestimate the ability of a few dedicated Communists to cause serious trouble. It is clear, if this threat is to be met, that necessary steps must be taken to avoid the kind of political and economic instability that so often leads to Communist subversion.

Finally, there is a danger that some of the new African states, encouraged by a spirit of intense nationalism and by intertribal rivalries, might engage in a competitive arms race that would lower their economic vitality and increase the risk of wars on that continent. Now arms control is very much like weight control, as every Western nation should admit. It is much easier to stay thin than it is to take off excess weight once it has been added.

It is, of course, the right of every sovereign state to determine the ends for which its productive energy and its resources will be used. It would be a tragic thing, however, if these new states, whose resources are so meager, were to embark upon the kind of arms competition that would divert their productive capacity from constructive ends.

This is something which the African states will have to decide for themselves. It is possible, however, if they only have the courage to grasp the nettle while there is still time, the United Nations might be helpful in finding an answer to their problem.

Concluding Comments

The challenge put to us by current African developments is formidable. Almost everywhere Africans are boldly assuming their increased re-

sponsibilities. It seems to me there are several courses of action we should follow in order to be helpful.

First, I think it is imperative that we increase our own knowledge and understanding of the problems of Africa. This is a job not only for the press, radio, and television, which during the past year have done much to focus public attention on the developing African scene, but also for our great universities. Unless the news is presented against a solid background of information, it is likely to be misinterpreted and misunderstood.

It is in this connection that the work of American universities in the past decade has been so outstanding. Ten years ago only 2 universities in the entire United States offered courses on Africa; there are now 29, of which 6 have major African area studies. The new African Studies Association now boasts over 600 members. Books, learned articles, and speeches have been produced in large quantities and in excellent quality, but much more is needed.

We have a great deal to learn, and time is growing short. Africans who travel in the United States still find fixed in the American mind certain stereotypes evoked by words such as "witchcraft" and "primitive." It is true, of course, that there is much in Africa that is still primitive, but cities like Salisbury, Dakar, and Léopoldville are as modern as many American cities.

Secondly, if we need to know much more about Africa, it is at least as true that Africans need to learn much more about the United States. Certainly there is little awareness in Africa of our attempts to solve our own race problems and far too much emphasis on the materialistic rather than the human side of our culture. Frequently, too, one encounters a rather unrealistic belief in American omnipotence, followed by disillusionment when we fail to measure up to their expectations.

There are a number of ways by which we can attempt to solve this problem. We can do this in the long run most effectively by expansion of our student exchange program. In 1955 there were 851 students from sub-Saharan Africa studying in American universities; by 1959 the number had risen to 1,190. Does this sound impressive? There were, in 1959, 47,245 foreign students in American universities, of which the African share was less than 2 percent. This is much too small a number, although we have managed so far to substitute quality for quantity. Among the more illustrious graduates of American universities are the Prime Minister of Ghana and the former Premier of the Eastern Region of Nigeria.

Thirdly, although education of the young is the most pressing job, we should also expand our leadership grants to outstanding African statesmen, administrators, and technicians. We have done a good deal in this field, but the need far outweighs available resources.

Fourth, a step-up in the tempo of our information activities in Africa is also essential. We now have an impressive number of centers operated by the United States Information Service in Africa. There are currently 15 central posts, 9 branch posts, and 3 reading rooms, working through local public information media and telling the United States story through films and libraries. In some countries, USIS carries on English-language teaching and in many other ways extends African knowledge of America.

Fifth, it is important to expand the economic assistance which can be made available for Africa. We are convinced that it is in the United States interest to increase direct assistance to Africa, and a sum of $20 million has been requested by ICA for this purpose for next year.

I believe that our own efforts can be complemented in an important way by an expansion of United Nations activities in Africa. There is growing support in Africa for the kind of assistance made available by the United Nations. The Secretary-General stated that this was his impression following his recent 24-country tour; I found the same sentiment everywhere I traveled. Multilateral aid has much to recommend it. It is easier for experts representing the world community to give advice on economic matters that will require a country to take unpopular political measures—increasing taxes, for example. Moreover, multilateral aid tends to mitigate some of the worst features of the shopping between East and West that some countries have learned to carry on. It cannot replace bilateral assistance but we believe it has unique qualities which make it peculiarly adaptable to African countries.

Increased aid through the United Nations would have a beneficial political aspect as well. We can expect a certain amount of unrest in

Africa. Frontiers were often established arbitrarily by European powers without much regard to ethnic or linguistic factors. For example, despite prolonged United Nations efforts, there is no mutually accepted frontier between Ethiopia and the new state of Somalia. As a result, Africa, like other continents, will be beset by many formidable political and economic problems. The United Nations can be of great assistance in their solution. I believe that a U.N. presence, primarily to furnish economic and technical advice and assistance in particular cases, can be an element of considerable political stability as well.

Finally, I would like to sum up my impressions in the following way. As one travels through Africa today, one can vividly sense the spirit which gave rise to our own Declaration of Independence with its ringing concepts of human dignity and equality. Fortunately the transition to independence is nearly everywhere being carried out with the assistance and the approval of the administering powers.

The new political and economic responsibilities which the emerging African nations have assumed are nothing short of staggering. Many of their problems seem almost insurmountable. There will be some mistakes made. There will be some stumbling done. But let us be hopeful and charitable in our attitude, and let us remember our own halting beginnings.

I returned from Africa awed, disturbed, and optimistic. I was awed by the size and complexity of the giant that is moving onto the world stage, disturbed by the magnitude of the problems that remain to be resolved, and encouraged by the growing amount of racial harmony that I encountered.

No one can doubt that the newly emerging states of Africa have an extremely difficult task ahead. A new state cannot be built in a day. It will take time—and energy and money—and sweat and blood and tears. But as they move on toward their goal of human betterment, they know they have the sympathetic interest and the support of the Government and the people of the United States.

I am confident that the peoples of Africa will succeed in establishing their rightful place in the family of nations and that they will make a significant contribution to the United Nations and the cause of world peace.

U.S. and Spain Conclude Talks on Matters of Mutual Interest

The Foreign Minister of Spain, Fernando María Castiella y Maíz, made an official visit to Washington March 22–24 at the invitation of Secretary Herter. Following is the text of a joint communique issued on March 23 at the conclusion of talks between Secretary Herter and Señor Castiella and their exchange of greetings on Señor Castiella's arrival, together with a list of the members of the Foreign Minister's party.

TEXT OF COMMUNIQUE

Press release 151 dated March 23

The Secretary of State has the pleasure of having as his official guest for three days His Excellency Fernando María Castiella, the Minister of Foreign Affairs of Spain. The Minister's visit to Washington has afforded the opportunity for him to hold conversations on matters of mutual interest with the President, the Secretary of State and other officials of the United States Government.

During these conversations, the progress made in carrying out the Mutual Defense and Economic Aid Agreements signed by Spain and the United States on September 26, 1953 [1] was reviewed. Great satisfaction was expressed over the very real contribution which the joint Spanish–U.S. efforts in the implementation of these agreements have been making to the defense of Western civilization.

A broad review was also made of other matters of mutual interest between Spain and the United States. Impressions of the recent trip to Latin America of the President,[2] on which he was accompanied by the Secretary of State, were conveyed to the Foreign Minister. The Foreign Minister reviewed Spain's traditional ties with the nations of Latin America. A general discussion was also held of preparations for the Paris Summit Meeting. The increasingly important role being played by Spain in international affairs was noted with satisfaction. The American side commented with favor on the appreciable economic progress made by Spain since the Stabilization Plan went into effect last July.[3]

[1] For text, see BULLETIN of Oct. 5, 1953, p. 435.
[2] *Ibid.*, Mar. 28, 1960, p. 471.
[3] For background, see *ibid.*, Aug. 10, 1959, p. 210.

The conversations were conducted in a cordial and friendly atmosphere. They have served to increase the mutual understanding between Spain and the United States and to strengthen the ties of friendship and cooperation which exist between the two countries.

EXCHANGE OF GREETINGS

Press release 148 dated March 23

Secretary Herter

Your Excellency: It gives me great pleasure to welcome you, Señora de Castiella, and the members of your party to the United States. When you and I met in London last August for some fruitful and pleasant discussion, I expressed the hope that you might find time in your busy schedule to visit Washington.[4] We are delighted that it has been possible for you to do this.

I am sure, Mr. Minister, that you will find here a warm and sympathetic welcome from the American people. Americans have a deep appreciation of the role which your nation has played in the discovery and development of our land.

Looking at the schedule which we have set for ourselves these next few days, I regret that you will not be able to stay with us longer. I hope nevertheless that you will have time to perceive, in some of its many manifestations, the high esteem in which we of the United States hold the people of Spain. I trust that this visit will be as pleasant and rewarding for you as I know it will be for us.

Señor Castiella

I am very happy to come to the United States. It is always a great pleasure to visit again this great country. I am honored to be here now as the guest of your Government.

I hope that my conversations with the American authorities may help to strengthen and improve still more the relations between the United States and Spain. Of all these interviews I specially look forward to the one I am to have with the Secretary of State, Mr. Herter, who was so kind as to invite me to pay this visit when we met in London last summer and whose kind words of welcome are a happy omen of a pleasant and fruitful stay. I consider it a special privilege to be able to have the opportunity of paying, once more, my respects to your distinguished President, Mr. Eisenhower. The echo still lingers in the streets of the Spanish capital of the enthusiastic and unanimous applause given a short time ago to your President by all its inhabitants, which had assembled to greet one of the greatest men of our time.[5]

The importance of our mutual relationship is such that a frequent exchange of visits by the officials of both our countries is becoming more and more necessary. Spain is a loyal friend of the United States. With American aid and cooperation we are developing a program of economic reconstruction, and this will be of great assistance in further increasing the strength of the Western World.

MEMBERS OF OFFICIAL PARTY

The Department of State announced on March 18 (press release 136) that the following persons would accompany Foreign Minister Castiella during his visit to the United States:

Señora de Castiella
José M. de Areilza, Count of Motrico, Ambassador of Spain
Countess of Motrico
Ramón Sedo, Director General of Political Affairs
Adolfo Martin Gamero, Director General of the Office of Diplomatic Information
Juan José Rovira, Director General of the Office of Economic Cooperation
Francisco Javier Elorza, Marqués de Nerva, Director of the Office of Multilateral Economic Relations
Jaime de Piniés, Director of the Office of North American Political Affairs
Gabriel Cañadas, Second Secretary, Technical Cabinet of the Minister
Alfonso de la Serna, First Secretary, Office of Diplomatic Information
Juan Lugo, Third Secretary, Office of North American Political Affairs

[4] Secretary Herter accompanied President Eisenhower to Europe Aug. 26–Sept. 7, during which time talks were held with the Spanish Foreign Minister; for background, see *ibid.*, Sept. 21, 1959, p. 404.

[5] President Eisenhower visited Spain on Dec. 22 during his 11-nation tour to Europe, the Middle East, South Asia and Africa; for text of a joint communique, see *ibid.* Jan. 11, 1960, p. 56.

;reek Costumes and Embroideries 'o Be Exhibited in U.S.

ress release 161 dated March 30

The Department of State notes with pleasure he announcement of the loan exhibition of Greek ostumes and embroideries which will be shown in he Smithsonian's Museum of Modern History rom April 9 through May 1. The exhibit is ponsored by His Excellency, Greek Ambassador Alexis S.] Liatis and Mrs. Liatis and is under ıe patronage of Her Majesty Queen Frederika.

The exhibit is a comprehensive survey of the reek craftsman's work applied to articles of aily use in the 18th and 19th centuries. Highly eveloped technique, combined with inspiration nd dedication, demonstrates the deep roots of reek popular civilization.

The exhibit, which is also appearing in other ties in the United States, was chosen from the oted collection of the Benaki Museum in Athens, ıe world-famous Greek ethnological museum. 'he loan of portions of this valuable collection for ı American exhibition is a reflection of the close ıltural ties between the Greek and American eople.

.S.S.R. Expresses Thanks for Rescue f Soviet Soldiers by U.S. Navy

hite House press release dated March 22

The White House on March 22 made public the ollowing exchange of messages between President isenhower and Nikita S. Khrushchev, Chairan of the Council of Ministers of the Union of oviet Socialist Republics.

essage of President Eisenhower

March 21, 1960

Dear Mr. Chairman: Thank you for your ıoughtful message regarding the rescue of four oviet soldiers by the men of the USS *Kearsarge*. I am grateful for the happy outcome for these ıurageous men and am glad that our Navy was ı a position to rescue them from the risks and ırdships they had undergone.

Sincerely,

Dwight D. Eisenhower

Message of Chairman Khrushchev

March 16, 1960

Dear Mr. President: Permit me to express to you, to the Government of the USA, and to the American Naval Command the feeling of deep gratitude for the rescue of four courageous Soviet soldiers who in the course of many days manfully struggled against the elements and hardships in the expanses of the Pacific Ocean.

The Soviet people see in the noble conduct of American sailors and the solicitous attitude toward Soviet young men on the part of American authorities the expression of an attitude of friendship which is developing between our two countries. It is to be hoped that this may serve the cause of further developing the relations between our two countries to which you and I have devoted no little time during the course of our recent conversations in the USA and for which, I hope, we will both spare no effort during our forthcoming meetings.

Respectfully,

N. Khrushchev

The Kremlin, Moscow

Yugoslav Atomic Energy Officials Conclude Discussions in U.S.

Press release 165 dated April 1

A delegation from the Yugoslav Federal Commission for Nuclear Energy, which has been in the United States at the invitation of the U.S. Government,[1] left the United States on April 1 after holding discussions with U.S. representatives on cooperation between Yugoslavia and the United States in the field of peaceful uses of atomic energy. The delegation, headed by Slobodan Nakicenovic, Under Secretary of State in the Yugoslav Federal Commission for Nuclear Energy, also visited numerous scientific and educational establishments in the United States including installations of the Atomic Energy Commission where research is being done in the peaceful application of nuclear energy.

During the talks which were held between the Yugoslav delegation and representatives of the Department of State and the Atomic Energy Commission, understandings were reached on furthering cooperation between Yugoslavia and the United States in the development of atomic energy for peaceful uses. In this connection the representatives of both Yugoslavia and the United States emphasized the importance of the Inter-

[1] Bulletin of Mar. 14, 1960, p. 410.

national Atomic Energy Agency in Vienna in promoting and facilitating international cooperation in this field and agreed to make full use of the Agency in developing programs for mutual cooperation.

The head of the Yugoslav delegation, Mr. Nakicenovic, on behalf of Aleksandar Rankovic, Chairman of the Yugoslav Federal Commission for Nuclear Energy and Vice President of the Federal Executive Council of the Federal People's Republic of Yugoslavia, extended to the Chairman of the United States Atomic Energy Commission, John A. McCone, an invitation to visit Yugoslavia with a number of his coworkers. Mr. McCone has accepted the invitation and would hope to work out a mutually convenient time for his visit in the near future. The Yugoslav delegation also invited the United States Atomic Energy Commission to send a delegation of experts to Yugoslavia. In response to this invitation a group of U.S. experts will travel to Yugoslavia soon.

U.S. and Morocco Exchange Messages on Agadir Earthquake

White House press release dated March 23

El-Mehdi Ben Aboud, Moroccan Ambassador to the United States, called on President Eisenhower on March 23 to deliver a message from Mohammed V, King of Morocco, in response to the President's message of sympathy in connection with the earthquake at Agadir, Morocco, on the night of February 29–March 1, 1960.

Message of President Eisenhower

SANTIAGO, *March 2, 1960*

I have been deeply saddened by the news of the terrible earthquake which has caused so much loss of life and suffering at Agadir. Please accept the sincere condolences of the American people and myself in this great tragedy.

DWIGHT D. EISENHOWER

Message of King Mohammed V

His Excellency DWIGHT D. EISENHOWER
President of the United States
The White House

We were particularly touched by the message of sympathy Your Excellency transmitted to us in your own name and that of the American people in connection with the disaster in Agadir.

We wish to express to Your Excellency and to your country, our friend, sincere appreciation for your deep concern over this tragic occurrence.

MOHAMMED V,
King of Morocco

MARCH 12, 1960

U.S. Lends Morocco $40 Million for Economic Development

Press release 142 dated March 21

The Department of State on March 21 announced the signing of loan agreements totaling $40 million to contribute to the Government of Morocco's economic development program. The loans will represent the major portion of the fiscal year 1960 Mutual Security Program of economic assistance to Morocco.

The Mutual Security Program loans were negotiated through the Export-Import Bank, acting on behalf of the International Cooperation Administration. Samuel C. Waugh, President of the Bank, signed for the United States, and the Ambassador of Morocco, El-Mehdi Ben Aboud, signed for his Government.

U.S. Sends Flood Relief to Brazil

Press release 162 dated March 31

The United States has made up to $300,000 in Mutual Security Program funds available for emergency flood relief in northeast Brazil, the Department of State announced on March 31.

The funds were made available to alleviate suffering resulting from floods, including the collapse on March 27 of the Oros Dam in northeast Brazil. Approximately 150,000 persons are homeless in the Jaguaraibe Valley, and another 150,000 are in distress elsewhere.

The U.S. assistance is chiefly in the form of urgently needed transportation facilities for food and medical and other supplies and in rescue work. The Air Force is sending two C–124 transport planes with rubber boats and two helicopters. In addition the U.S.S. *Glacier*, which was at Rio de Janeiro when the floods became acute, is proceeding to the distress area and will assist, along with its two helicopters.

Also, Capt. Edward A. Anderson, Medical Corps, U.S. Navy, flew to Brazil on March 31 with jet-injection vaccination equipment to start an emergency program to immunize flood victims against typhoid fever. Four U.S. injection machines and 200,000 doses of typhoid vaccine are being provided for this emergency undertaking. This amount of vaccine will immunize approximately 100,000 persons. Capt. Anderson carried with him part of the jet equipment and approximately 70,000 doses of the vaccine to get the inoculation program under way on his arrival.

Fortaleza, Brazil, will be the center of the emergency relief operation.

U.S. Accepts Declaration on GATT Relations With Switzerland

Press release 160 dated March 30

DEPARTMENT ANNOUNCEMENT

On March 30 in Geneva the United States accepted the declaration of November 22, 1958, governing the provisional accession of Switzerland to the General Agreement on Tariffs and Trade (GATT).

Under the arrangements for Swiss accession to the GATT, Switzerland, with certain exceptions relating to articles XI and XV of the General Agreement, and other contracting parties accepting the declaration undertake to apply the provisions of the GATT to each other. United States acceptance of the declaration does not involve the modification of any United States tariff concessions. The United States does, by acceptance, acquire direct rights to the tariff concessions negotiated between Switzerland and other contracting parties (not including the United States) in 1958. In return, Switzerland acquires direct rights to the existing United States schedule of tariff concessions in the GATT. Public notice regarding United States acceptance of this declaration was issued on September 9, 1959, together with the text of the general provisions of the declaration.[1] A published statement of the results of the 1958 tariff negotiations with Switzerland may be purchased from the Contracting Parties to the GATT, Villa Bocage, Geneva, Switzerland, and may be consulted at the Division of Trade Agreements, Department of State, and the Bureau of Foreign Commerce, Department of Commerce, in Washington, and at field offices of the Department of Commerce.

United States–Swiss trade relations are also governed by a bilateral trade agreement negotiated in 1936 and since subsequently supplemented several times. The bilateral agreement will continue in force between the United States and Switzerland outside the framework of the GATT. However, on March 29 in Washington the United States and Switzerland concluded an exchange of notes which provides that the continuance in force of obligations under the bilateral trade agreement will not prevent either country from taking action permitted under an exception, reservation, or waiver of the GATT.

The most recent prior supplementary agreement was an exchange of notes of December 30, 1959, relating to the entry into force of the new nomenclature of the Swiss schedule of tariff concessions to the bilateral agreement.[2] This modification was limited to changes in tariff numbers and descriptions of tariff items but did not involve any changes in rates of duty or other changes in substance of the concessions granted by Switzerland to the United States. United States tariff concessions granted to Switzerland under the bilateral agreement were not affected by the exchange of notes.

EXCHANGE OF NOTES

Text of United States Note

March 29, 1960

Excellency: I have the honor to refer to conversations which have been held between representatives of the Government of the United States of America and of the Government of the Swiss Confederation with respect to the Declaration for Provisional Accession of the Swiss Confederation to the General Agreement on Tariffs and Trade, done at Geneva November 22, 1958.

It is the understanding of the United States Government that the Governments of the United States and of the Swiss Confederation agree, in accordance with para-

[1] Bulletin of Sept. 28, 1959, p. 450.

[2] For text of exchange of notes, without the revised Swiss schedule, see *ibid.*, Jan. 18, 1960, p. 87, or *Foreign Commerce Weekly*, Jan. 11, 1960; for the entire exchange, including the schedule, see Treaties and Other International Acts Series 4379.

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graph 7 of the Declaration of November 2, 1958, that the trade relations between the United States and the Swiss Confederation should be governed by the terms of that Declaration.

It is also the understanding of my Government that, so long as the provisions of the General Agreement apply between the United States and the Swiss Confederation pursuant to the Declaration of November 22, 1958 or otherwise, the provisions of the Bilateral Trade Agreement between the United States and the Swiss Confederation, signed at Washington January 9, 1936, as supplemented, shall not prevent either country from taking action which it is permitted to take pursuant to an exception, reservation, or waiver under the General Agreement. One specific application of this understanding would be that, in the case of a product subject to a concession under the Trade Agreement of 1936 and also to a concession under the General Agreement providing for more favorable customs treatment, the continuance of obligations in the Bilateral Trade Agreement shall not preclude the application, as a result of action taken pursuant to the escape clause (Article XIX) in the General Agreement, of customs treatment less favorable than that provided for in the bilateral.

The Government of the United States would appreciate receiving confirmation that the understanding set forth above is also the understanding of the Government of the Swiss Confederation.

Accept, Excellency, the renewed assurance of my highest consideration.

For the Secretary of State:

EDWIN M. MARTIN

His Excellency
HENRY DE TORRENTÉ,
Ambassador of Switzerland.

Text of Swiss Note

MARCH 29, 1960

SIR: I have the honor to acknowledge receipt of your note of today's date in which you set forth the understanding of the Government of the United States of America of the conversations which have been held between the representatives of the Government of the Swiss Confederation and the Government of the United States with respect to the Declaration for the Provisional Accession of the Swiss Confederation to the General Agreement on Tariffs and Trade, done at Geneva November 22, 1958, and which reads as follows:

[text of U.S. note]

In reply, I am happy to inform you that the Government of the Swiss Confederation concurs in the understanding as set forth in your note.

Accept, Sir, the renewed assurances of my highest consideration.

H. DE TORRENTÉ

The Honorable
CHRISTIAN A. HERTER
The Secretary of State
Washington 25, D.C.

Current U.N. Documents: A Selected Bibliography[1]

Security Council

Letter Dated 18 February 1960 From the Acting Permanent Representative of the United Arab Republic Addressed to the President of the Security Council Concerning Resolutions Adopted by the Syrian-Israeli Mixed Armistice Commission. S/4268. February 19, 1960. 5 pp.

Report by the Chief of Staff of the United Nations Truce Supervision Organization on the Recent Incidents in the Southern Sector of the Demilitarized Zone Created by Article V, Paragraph 5, of the Israel-Syrian General Armistice Agreement. S/4270 and Corr. 1. February 23, 1960. 58 pp.

Letter Dated 25 February 1960 From the Acting Permanent Representative of Israel Addressed to the President of the Security Council Concerning S/4264. S/4271. February 25, 1960. 6 pp.

Letter Dated 2 March 1960 From the Acting Permanent Representative of India Addressed to the President of the Security Council Concerning S/4259. S/4273. March 2, 1960. 4 pp.

Letter Dated 24 March 1960 From the Permanent Representative of Pakistan Addressed to the President of the Security Council Concerning S/4249. S/4278. March 25, 1960. 2 pp.

General Assembly

International Law Commission. Co-operation With Other Bodies. Report by Dr. Yuen-li Liang, Secretary of the Commission, on the proceedings of the fourth meeting of the Inter-American Council of Jurists. A/CN.4/124. February 5, 1960. 62 pp.

International Law Commission. Fifth Report on International Responsibility. Responsibility of the state for injuries caused in its territory to the person or property of aliens—measures affecting acquired rights and constituent elements of international responsibility. A/CN.4/125. February 9, 1960. 76 pp.

Second United Nations Conference on the Law of the Sea. Supplement to the Bibliographical Guide to the Law of the Sea (A/CONF. 13/17) prepared by the Secretariat. A/CONF. 19/6. February 16, 1960. 27 pp.

Executive Committee of the High Commissioner's Programme. Report on the Implementation of General Assembly Resolutions 1286 (XIII) and 1389 (XIV) on Assistance to Refugees From Algeria in Morocco and Tunisia. A/AC.96/59. February 24, 1960. 8 pp.

Addendum to the Report of the Negotiating Committee for Extra-budgetary Funds. A/4267/Add. 1. February 29, 1960. 9 pp.

Executive Committee of the High Commissioner's Programme. First Report on the Mental Health of Special Cases Among Refugees in Austria and Germany. A/AC.96/62. March 7, 1960. 16 pp.

International Law Commission. Ad Hoc Diplomacy. Report by the special rapporteur. A/CN.4/129. March 11, 1960. 21 pp.

International Law Commission. Fifth Report on the Law of Treaties (Treaties and Third States). A/CN.4/130 March 21, 1960. 114 pp.

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[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

The Mutual Security Program in Africa

Statement by Joseph C. Satterthwaite
Assistant Secretary for African Affairs[1]

Mr. Chairman and members of the committee, I am glad to have this opportunity to appear before you again to discuss the Mutual Security Program and recent developments in Africa.

The changes in the map of Africa since I appeared before this committee a year ago dramatically illustrate the pace of events on the African Continent. By the end of 1960 the political map of Africa will be so changed that gazetteers will find it difficult to differentiate between the dependent areas and the independent countries created since World War II. The mapmakers have been having a time with Africa, and during 1960 their job will not become easier. Between April and October there will be at least four more independent countries—Togo, Congo, Somalia, and Nigeria. Cameroun achieved independence on January 1, 1960. Negotiations now under way with France may result in independence during 1960 for the Federation of Mali (Senegal and Soudan) and the Malagasy Republic (Madagascar).

As a writer on Africa recently stated, "The whole continent is on fire, but it burns with an uneven flame." Below the Sahara there is no uniformity of language, of custom, of civilization. Its multitudinous tribes now being released from colonial controls have one common denominator, opposition to colonialism; one common characteristic, political ferment; one common goal, self-realization in their own, not in any other people's, image. In vast areas of Africa the people are vaulting in one generation from the neolithic to the nuclear age.

Indeed, the Africa we see today is a land where everything is happening at once—constitutional struggles, endless quest for economic and social advancement, civil strife, the conflict between democracy and communism, colonialism and nationalism, equality and racism.

Of no less importance than the swift pace of political developments on the Africa scene is the pressing need for accelerating the sluggish rate of economic growth and improving living standards. Africa's economic and social structures are not developing at a pace comparable to its political evolution. It is fairly easy to recognize that the political revolution is at hand, and by and large its pressures are irresistible. It is essential that the pace of economic development match or at least not fall further behind the rate of political change now sweeping the African Continent. Very few of the emerging countries are economically viable, and their leaders very quickly recognize the importance of economic development and a higher living standard as necessities to sustain and fortify their political independence.

Countries are becoming politically independent without adequately trained leadership and technical skills and without the basic economic and social institutions and systems which provide the foundations for secure, confident, African-led nations. Present U.S. foreign assistance programs are not adequate in scope or size to be responsive to the dramatic changes taking place. The facts of this situation, and U.S. sympathy for the newly independent or about-to-be independent countries, are compelling recommendations for a new and creative U.S. approach.

[1] Made before the House Foreign Affairs Committee on Mar. 9.

Background References on MSP for 1961

For background on the Mutual Security Program for 1961, see the following documents published in recent issues of the Bulletin:

President Eisenhower's message to the Congress, H. Doc. 343, February 16, 1960, BULLETIN of March 7, page 369.
Statement by Secretary Herter, House Committee on Foreign Affairs, February 17, 1960, *ibid.*, page 375.
Statement by Under Secretary Dillon, House Committee on Foreign Affairs, February 18, 1960, *ibid.*, page 380.
Statement by ICA Director James W. Riddleberger, House Committee on Foreign Affairs, March 1, 1960, *ibid.*, March 21, page 445.
Statement by DLF Director Vance Brand, House Committee on Foreign Affairs, March 1, 1960, *ibid.*, page 453.
Summary Report on Grant Economic Assistance Relating to Defense Support and Special Assistance Programs, *ibid.*, page 459.
Statement by J. Graham Parsons, Assistant Secretary for Far Eastern Affairs, House Committee on Foreign Affairs, March 8, 1960, *ibid.*, April 4, page 532.
Statement by Secretary Herter, Senate Committee on Foreign Relations, March 22, 1960, *ibid.*, April 11, page 566.
Statement by Under Secretary Dillon, Senate Committee on Foreign Relations, March 22, 1960, *ibid.*, April 11, page 568.
Statement by ICA Director Riddleberger, Senate Committee on Foreign Relations, March 23, 1960, *ibid.*, April 11, page 572.

Special Program for Tropical Africa

The executive branch is, therefore, proposing to the Congress a special program for tropical Africa with an initial appropriation of $20 million within the special assistance category. In preparing this request we have sought to find a way properly responsive to the African aspirations. We have a fresh situation; we are attempting to meet it in a fresh manner. There are a number of general criteria which guided us. First, we wanted something which would provide a close identification of the United States with the African people. Second, we wanted to find some way of encouraging closer cooperation and interchange between the many African countries. Third, knowing that Africa's need for economic help is almost unlimited, we wanted to concentrate on a key problem area, one which stands as a major block to development. Fourth, we wanted to avoid competition with large-scale assistance from Europe but serve rather as a catalyst for stimulating an even higher level of this assistance. Fifth, we wanted as much as possible to avoid getting into a position of annual aid-level negotiations with many new countries pressing for external assistance. Finally, we wanted a program which would provide sufficient flexibility to permit effective adaptation to a very fluid situation.

The purpose of this program would be to provide assistance in those areas which constitute the greatest impediments to sound, long-run social and economic development in Africa. There can be little argument that this development depends in the first instance on a major improvement in the education and training of Africa's human resources and their productive use. In my travels in Africa I have found one of the principal concerns of the responsible leaders to be the lack of experienced African civil servants, entrepreneurs, technicians—in general, the need for skills and professional knowledge which are so vital to modern national economies.

A major conclusion of the National Academy of Sciences report on "Recommendations for Strengthening Science and Technology in Selected Areas of Africa South of the Sahara,"[2] which was undertaken at ICA's request, was that "the future development of sub-Sahara Africa depends, in the first instance, upon the rate at which progress can be made in strengthening education. . . . Every other consideration is subordinate to that of education. . . ." A major portion of the funds requested will be applied in a manner which will help to accelerate the training of Africans for the numerous essential administrative and technical jobs their countries require. Similarly, the importance of upgrading African skills in general has convinced us that this program should be broad enough to provide special training to those who will not have the opportunity for formal education. We thus propose to support training activities in such areas as agricultural extension, community development, and public health.

It is also clear that longrun stability and the most effective framework for the improvement of human resources are to be found in closer association of the African nations and the development of multicountry planning and cooperative effort in order to solve their common problems. The

[2] Copies of the report are available from the Office of International Relations, National Academy of Sciences 2101 Constitution Ave., Washington 25, D.C.

whole question of regionalism in Africa is a complex and difficult subject. As I noted earlier, the variety of forces on the continent—the different status of political evolution, the intense nationalism, the competition among African leaders for preeminence—make it extremely difficult to find an approach which will reverse the trend toward further fragmentation of the African Continent. While I believe that closer associations of African countries will develop, it will be a long process.

Much can be done now, however, to help encourage cooperative approaches to the many common developmental problems which confront all the African countries. We are thus proposing to use a portion of the funds requested to support and sponsor multicountry conferences, workshops, and seminars as training programs in themselves and as a means of developing cooperative approaches to special developmental problems such as, for example, the tsetse fly, which closes large parts of the continent to livestock development. A training grant program which will permit Africans from several countries to attend the various African schools and colleges now operating is also being proposed. This interchange of students between African countries should serve to facilitate the efficient use of available African institutions as well as promote friendships and ties between Africans from several countries. Other activities in this category include a regional English-language training program, educational research, and an educational materials and documentation center.

As I noted previously, one of the important criteria we had established for this program is that it should not become a competitor to or substitute for assistance from other free-world sources. It is our hope, rather, that it may serve to help encourage an increase in assistance from other free-world countries and international and national organizations. This area of tropical Africa is now receiving over $500 million annually from European countries for major development projects. Increasing amounts of technical and other forms of assistance are coming from a number of private organizations. A number of U.S. foundations are making important contributions in a number of fields. The U.N., through its technical assistance program and its Special Fund, is stepping up its assistance to this continent. It is our intention to seek the participation of these various organizations and countries on specific projects where feasible. We also anticipate that out of the multicountry conferences will come proposals for joint efforts on important development problems.

We are proposing that assistance under this program be on a grant basis. Because of the nature of the activities to be undertaken and the limited resources of many of the African countries, grant assistance appears to be the most effective means for accomplishing our objectives. It is important to note, however, that we intend to operate this program on a project-by-project basis to avoid the difficult problems which often stem from situations where countries come to expect certain levels of assistance tied to what has been provided in previous years or related to levels received by neighboring countries.

All of Africa will be included under the program except for the northern tier of Morocco, Algeria, Tunisia, Libya, and Egypt, and the Union of South Africa.

The special program would not replace bilateral technical cooperation, although it is anticipated that it would be closely related to technical cooperation programs. The essential character of the special program for tropical Africa which differentiates it from the technical cooperation program lies in its intensive concentration on key education and training problems and on regional activities. A major portion of the funds will be used to help finance the expansion of existing institutions or the establishment of new ones. The financing of construction, equipment and supplies, and staffing contracts will absorb the bulk of the funds. The technical cooperation programs, in contrast, will continue to emphasize demonstrations and advisory services and training of African counterparts.

The United States and the European countries have a great reservoir of good will and common interest built up in tropical Africa. Most of the educated Africans have studied in Western schools and universities; many have grown up with Western political institutions and principles and with the Western private and public enterprises. This reservoir provides the United States with a valuable relationship on which to build our new ties with the African people. The Africans are looking to the United States to see how it will respond to their needs and problems. The special program for tropical Africa, I believe, can have an impor-

tant role in demonstrating that the United States is willing in word and deed to identify itself with the aspirations of the African people.

The question might well be asked whether the magnitude of this request is sufficient to meet the problems of Africa. It is the view of the executive branch that this is sufficient for the first year of a new program in education and training. I am convinced, however, that an expanded program will be necessary in subsequent years. As the President has stated in his mutual security message to Congress: [3]

> It is my belief that this initial effort must grow significantly in the immediate years ahead and complement similar efforts on the part of other free world nations so that the capacity of the new and other developing nations in Africa to manage and direct their development can be strengthened and increased rapidly and effectively.

There are, of course, other major African needs, especially for capital development. It is expected that the Development Loan Fund will increase its activities in tropical Africa. The rate at which this can be accomplished, however, will depend in large measure on the volume and quality of proposals presented. As the preparation of development projects advances and the supply of technical skill grows, we expect that the flow of proposals will expand and that, increasingly, more external investment funds from all sources will be available. The Export-Import Bank has already made substantial loans to Africa and has indicated it expects to increase its activity. The International Bank for Reconstruction and Development now has in process a number of country and project economic surveys which should lead to more loans for Africa in addition to those already made.

As this committee is well aware, the pace of events in Africa has been so rapid it has been difficult to plan with any degree of precision. It is for this reason that I consider the availability of the contingency fund, in the amount requested, of particular importance in order to provide the administration with the flexibility we will need as new countries emerge and we are required to respond to new situations.

Bilateral Special Assistance

In certain countries we have been able to identify the problems we face in fiscal year 1961 which cannot be met through the special program for tropical Africa or through other economic instruments of U.S. foreign policy, and therefore we are programing bilateral grant special assistance. The countries for which this bilateral special assistance is programed are Somalia, Ethiopia, and the Sudan. These three countries in the eastern part of the continent, bordering on the Red Sea and its approaches, are important and of immediate concern to the United States. During the past year we have observed major changes in their political and economic situation.

Full independence will be granted to Somalia on July 1st. Somalia suffers from a chronic and serious deficit in its operating budget and has no capital resources available for economic development. It is almost completely dependent upon external assistance to maintain and possibly increase its level of economic activity. This is particularly important in bolstering its political stability during the early period of independence. We are now discussing with the Italian Government possible arrangements by which they could continue their major role in support of the Somali economy. Just how these discussions will end up it is too early to predict, but I believe our approach in this situation is indicative of our general effort to encourage the continuance of assistance from our European friends to African countries. Our proposal for bilateral special assistance is designed to supplement the Italian effort.

Ethiopia has hitherto been a firm supporter of free-world interests and has made important contributions as a moderating influence in African and Afro-Asian conferences. It has been a particularly strong supporter of the principle of collective security. Ethiopia's recent acceptance of the $100 million credit from the Soviet Union may temper this position somewhat; however U.S. relations with Ethiopia continue to be close in part a result of the effective work carried out under our economic programs. The special assistance for Ethiopia will help to meet requirements for important development projects in agriculture, health, and education and strengthen our activities during this period when the Government is facing serious budgetary and foreign-exchange problems.

The political and economic situation in the Sudan has improved markedly. The balance-of-payments crisis has now passed. The present regime has provided an effective government friendly to the United States. We are gratified

[3] For text, see BULLETIN of Mar. 7, 1960, p. 369.

over the prompt improvement in the Sudan's economic condition. We recognize, however, that progressive economic betterment will be required over the long run if the Sudan is to evolve a healthy and Western-oriented political life. Soviet-bloc activity in Egypt and Ethiopia should forewarn us of the greater vulnerability of this area which also serves as a bridge to other parts of Africa. The bilateral special assistance we are proposing for fiscal year 1961 will provide an important means for strengthening key areas of the Sudan's economy.

Technical Cooperation

Our proposals for the continuation of technical cooperation programs in Africa are an essential element of the U.S. response to Africa's problems. We are requesting $24.3 million for this program, which is an increase of about 20 percent over the level for fiscal year 1960. The major portion of the increase is for programs in the area south of the Sahara. There are now technical cooperation programs in 13 African countries and territories, and we expect to initiate programs in 3 or 4 others within the year. A number of newly independent and emerging countries are requesting technical assistance and are particularly desirous of the help American technicians can give them. The increased amount will permit an expansion of our programs, for example, in Nigeria, Somalia, and in the territories of East and Central Africa and will provide a small amount for the three or four new programs we anticipate will get under way.

I have been impressed with how well our technical cooperation programs have been received. In Ghana, for example, the Parliament passed a resolution praising our program activities in agriculture and expressing appreciation for our aid. In Ethiopia our technical cooperation program has made a major contribution in helping to establish a broad base of educational institutions and training programs so essential to that country's future development. The Imperial Ethiopia A. and M. College and the Haile Selassie I Public Health Center at Gondar are most noteworthy institutions, established under our program. In Tunisia U.S. technical assistance has helped establish agricultural schools at which young Tunisian farmers receive training. I understand that over 400 farmers have completed the course and have returned to their farms. Also in Tunisia, U.S. advisers have helped set up an industrial loan fund which has made 50 loans for small private enterprises so important to Tunisia's development. The growth of self-confidence and the development of rural action committees for self-help projects among the Libyan people is largely the result of ideas generated by our technicians working in agricultural extension, sanitation, and community development projects.

The work of American universities under contract with ICA has also been most noteworthy. We have a number of university contracts now operating in African countries and several additional contracts under negotiation—Oklahoma State University and the University of Utah, in Ethiopia; Ohio University and Michigan State University, in Nigeria; and Cornell University, in Liberia.

We will have, by the end of this year, about 780 U.S. technicians in all of Africa, including contract personnel, and expect this number to increase to about 1,000 in fiscal year 1961. Training programs are being arranged for over 800 African participants this year, with an expected increase to about 1,000 during fiscal year 1961.

North Africa

I would like now to turn to the three North African countries, Libya, Morocco, and Tunisia. About three-fourths of the special assistance and about 20 percent of the technical cooperation proposed for Africa for fiscal year 1961 is for these three countries. In relation to the rest of Africa, this amount tends to appear disproportionate. The question is often asked, as it was last year: "Why so much for North Africa compared to Africa south of the Sahara?" The reasons, I believe, which help to explain this situation and provide a basis for our proposals for fiscal year 1961 lie in the special political and military interests the United States has in this area and the major economic problems these countries face.

In Morocco there is, as you know, a complex of U.S. air and communications bases. Agreement was recently reached on the evacuation of these facilities by the end of 1963.[4] The continued and effective operation of these facilities for the remainder of the period should, of course, be con-

[4] *Ibid.*, Jan. 11, 1960, p. 57.

sidered within the framework of the increasing political and social tensions which accompany Morocco's efforts to become a modern nation.

Although Morocco is relatively rich in fertile lands and mineral resources, the loss of French technicians and financial assistance since the achievement of independence in 1956 has led to serious economic problems. Extensive unemployment and the resultant political unrest are grave concerns. Business inactivity seriously affects the ability of the Government to obtain domestic revenues. At the same time the almost complete absence of private investment makes economic recovery and political stability depend in large part on the success of the Moroccan Government's development program. It is apparent that considerable foreign assistance will be required in fiscal year 1961 to finance the large development program necessary to achieve these aims.

In the last fiscal year the Mutual Security Program enabled the Moroccan Government to import badly needed commodities for sale to the people of the country. The Moroccan currency obtained from such sales financed approximately 50 percent of the Government's development program. United States assistance in fiscal year 1961 will also contribute substantially to the Moroccan Government's efforts to relieve the widespread economic distress.

United States military facilities in Libya represent a total investment of over $100 million. The Wheelus Air Base is most valuable as a training and staging center. The Libyan Government, which continues to cooperate with the West, looks forward to the achievement of economic independence as a result of oil developments. Its desire to avoid foreign entanglements and to maintain its independence is now reinforced by the prospects of substantial income from oil revenues within the next 5 or 6 years. Until such time, however, U.S. economic assistance, by contributing to Libya's economic development, is an important factor in the continued acceptance of the American military installations.

United States economic assistance has been devoted largely to stimulating agriculture, raising educational levels, improving health, and providing vital communications facilities. A Libyan agricultural extension service has been developed. Improved water utilization and soil conservation are helping to increase the amount of land under cultivation. School enrollment has been increased from 43,000 in 1952 to about 125,000 in 1959, and the physical plant and equipment of Libyan schools have been expanded. Over 2,000 miles of essential roads have been restored and maintained. The United States has financed construction or repair of a number of hospitals, dispensaries, and similar health facilities.

In Tunisia we are fortunate in having a vigorous and progressive Arab government which alines itself courageously with the Western World. The Bourguiba government is relying heavily on cooperation with the West to achieve its political and economic goals. The Tunisian economy, which was so intricately and intimately intertwined with the French economy, has suffered greatly with the departure of French technicians and administrators and private and public investment. With independence, the Tunisian Government found itself with an expensive, well-developed social and physical overhead but without the capital resources and technicians necessary to put it into operation. An immediate consequence was unemployment, which today approximates about 25 percent of the labor force. This unemployment problem is a large and critical trouble spot and gives rise to greater pressures on the Government for increases in its developmental programs. The Tunisians have tightened their belts and are making a disciplined and energetic effort to tackle their difficult economic problems. The Bourguiba government's success in this endeavor will have vitally important consequences for the neighboring Arab areas as well as for many African countries. U.S. economic and technical assistance has been a basic element in shoring up the Tunisian economy and will continue to play a key role in helping the Tunisian Government to achieve its goals.

In sum, we are requesting $115 million in special assistance and $24.3 million in technical cooperation, plus $20 million for the special program for tropical Africa for fiscal year 1961. I consider these amounts conservative and minimal. With these amounts, however, I believe we can demonstrate our sympathy with the newly emerging African countries and respond to the varied and complex demands the African Continent makes in this first year of a new and epochal decade for Africa.

Military Assistance

Turning briefly to military assistance programs in Africa, I must emphasize that our approach here is different from that in other areas. The African states, especially those that are just entering into independence, have only small military forces. None of these states is linked to the United States by collective security arrangements, and we would not expect any of them to play a major role in a global war. Our small military assistance programs in Africa are designed for different and essentially political purposes.

It is essential that the continent of Africa remain free from domination by the Sino-Soviet bloc. It is essential that the African states remain free to develop their own political, economic, and social institutions in cooperation with the rest of the free world. It is also essential for the United States to retain its rights to operate certain key bases in Africa and that the United States and its allies have continued access to a wide range of important materials in Africa, principally minerals.

To achieve these strategic and political objectives, the United States has undertaken to assist a few of the African states in providing equipment and training for the maintenance of their internal security. The small, lightly armed forces of the African nations which are receiving military assistance will not be expected to make a substantial contribution of forces in support of our worldwide strategy in the event of a global war. However, the support of these forces is essential to the degree of security and political stability required to maintain a pro-Western orientation.

The military assistance program for Africa is the smallest of all the regional programs. Cumulative programs through fiscal year 1960 have amounted to $57.8 million, whereas actual deliveries under these programs through June 30, 1959, have totaled $44.8 million.

For fiscal year 1960 we requested funds totaling $7.4 million. The fiscal year 1960 presentation of the Mutual Security Program to the Congress contemplated only one country program in the African region. In addition to a program for Ethiopia in fiscal year 1960, other programs were developed during the fiscal year for Liberia, Libya, Morocco, and Tunisia. After making the necessary adjustments to take into consideration these four additional country programs, our area figure for fiscal year 1960 is $13.1 million instead of the $7.4 million which the executive branch proposed last year. For fiscal year 1961 we are requesting funds totaling $18.2 million. The difference between the adjusted fiscal year 1960 program and the proposed fiscal year 1961 program is accounted for by a slight increase in the proposed fiscal year 1961 programs for Ethiopia, Liberia, and Morocco. This request will enable us to meet new requirements in Africa and to strengthen the internal security of five countries—Ethiopia, Libya, Liberia, Morocco, and Tunisia—whose independence, political stability, internal security, and continuing friendship are important to us.

The $18.2 million requested in fiscal year 1961 is composed as follows: $12.6 million for force improvement, $3.2 million for force maintenance, and $2.3 million for training and for transportation and other services.

It is my conviction that these modest programs represent a sound investment important to the defense of this country and for the security of the free world. Africa is moving forward at incredible speed. Several states there face urgent problems of internal security; they have legitimate needs for better equipment or training, which for various reasons cannot be completely met from other free-world sources. Assistance to these countries, on a sales or liberal repayment basis, contributes to the achievement of our political objectives. In certain states we have military bases that are essential to our overall strategy. This part of the military assistance program represents a highly satisfactory method for achieving our foreign policy goals in Africa.

To sum up, Mr. Chairman, Africa is entering upon a new chapter in its history. As independence approaches, in some areas with a speed undreamed of a few short years ago, the awesome responsibilities of self-government come suddenly into focus. In other areas Africans, seeing the progress of their neighbors, grow increasingly impatient. There is a growing awareness of the need for reconciling the insistent upsurge of nationalism with means for an orderly transition from past to future.

The Mutual Security Program in the Near East and South Asia

Statement by G. Lewis Jones
Assistant Secretary for Near Eastern and South Asian Affairs[1]

Through the years the Congress has provided funds for the Mutual Security Program. As a career Foreign Service officer who has served in the Near and Middle East, it has been my privilege to observe at first hand the operation of the Mutual Security Program. I think that you gentlemen, as representatives of the American people, have reason to be proud of your role in this successful program which, while we should try constantly to better its implementation and reduce its burden upon the American taxpayer, must be resolutely pursued if we are to maintain and enhance our security and welfare in this shrinking world.

The broad outlines of the Mutual Security Program have been set forth by the President, Secretary of State Herter, and Under Secretary Dillon. In his message of February 16 the President emphasized the need for "steadfast, undramatic, and patient persistence in our efforts to maintain our mutual defenses while working to find solutions for the problems which divide the World and threaten the peace." The following day Secretary Herter used the phrase "vital to our security and an indispensable instrument of our foreign policy" in describing the Mutual Security Program.

Both the President and Secretary Herter stressed the needs and demands of free people for economic security and a decent standard of living. They noted the force generated by the deep desire and determination of underdeveloped peoples to improve their lot. Mr. Herter said,

> In these circumstances, it is clear that if the appeal and pressure of communism are to be resisted, it is essential that there be a choice available to these nations—an alternative to communism which is more than the preservation of the *status quo*.

[1] Made before the House Foreign Affairs Committee on Mar. 15.

Area Problems and United States Objectives

In my area of responsibility, gentlemen, there is a goodly share of the peoples of the world aspiring to remain free while confronted by limited resources and the blandishments offered by masters of the Communist world. Fifteen nations are involved, differing widely in many respects but having in common one thing—the desire to remain free from outside control and to choose their own way of life. Some of these countries have enjoyed independence for centuries; others achieved independence only since World War II; but *all* want to stay independent.

Upon all of these countries the United States has had, since World War II, a profound influence—economically and politically. This influence has been an influence for good. The American people have helped to a great degree to establish the climate of relative calm and stability in which these countries are progressively working out their destinies.

The United States contribution has taken the form of both military and economic assistance. In addition to the mutual security programs—administered through the Department of Defense, ICA [International Cooperation Administration], and the DLF [Development Loan Fund]—assistance has been extended under P.L. 480 [Agricultural Trade Development and Assistance Act] and through the Export-Import Bank.

For fiscal year 1961 we are requesting $457.9 million in military assistance funds and $345.3

million in economic assistance other than the DLF for the Near East and South Asia regions. This request includes contributions to UNRWA [United Nations Relief and Works Agency for Palestine Refugees] and UNEF [United Nations Emergency Force]. This proposal of $803.2 million represents an increase of $203.1 million for military purposes and a reduction of $15 million for economic assistance from the estimated 1960 programs.

Our presentation this year reflects several new themes and changes of emphasis. Firstly, South Asia is receiving special attention in the form of increased loans for economic development in that area and substantial contributions to the financing of the Indus waters project. I shall return to these subjects later.

A second major theme of our presentation is the expectation that increased contributions to the countries of this region will be forthcoming from certain advanced European countries and Japan, i.e. the U.S. will not be alone or nearly alone in extending assistance. Under Secretary Dillon has already outlined the consultations which have occurred on this subject. Turkey has received substantial assistance from the OEEC [Organization for European Economic Cooperation] countries; Greece has received significant credits from Germany; certain Commonwealth countries and Germany are joining with the United States in the planned financing of the Indus waters project; consultations are currently underway regarding increased aid to India and Pakistan by other nations.

We feel, therefore, that our proposals are responsive to many of the thoughts expressed by this committee in former years: that we encourage increased contributions from the improving economies of the more developed nations, that we concentrate assistance where it can be most effectively utilized, that we administer aid in such a way as to help reduce tensions between free-world countries, and that we encourage increased regional cooperation.

Setting an Example

Our political contribution is that we have set an example of a nation whose people have found a way to live in freedom under law and who at the same time are prepared to work with and help those of a like mind and purpose to achieve the same thing. Our unswerving support for the principles of the United Nations Charter is part of this contribution.

The people of the underdeveloped areas do not give their trust readily, but they are coming increasingly to realize that when we speak of the dignity, rights, and liberties of the individual man we are not using the hollow words of propaganda; we *mean* what we say.

A Diverse Region

It is difficult to decide the best way to present to you the political and economic problems of the part of the world for which I bear some responsibility. The countries and people, let alone their problems, do not fall readily into pat groupings and categories. Once it has been said that all of these countries desire to maintain their own way of life in freedom, the diversities present themselves.

The sum of $206 million is being requested for the defense support of Greece, Turkey, Iran, and Pakistan. These countries have in common a firm, unswerving, and announced posture against Communist encroachment of any kind. Nevertheless the internal problems of each are very different.

The "Arab countries" (principally U.A.R. [United Arab Republic], Lebanon, Iraq, Jordan, Saudi Arabia, and Yemen) might be considered a homogeneous group except that some are poor and some are oil-rich; some have a talented educated class and some are lacking in this respect. Unresolved differences exist among all the countries of this group.

Israel, with its dynamic, hard-working people, is a special case in almost every sphere of its national life and activity. Special assistance to Israel is an essential supplement to resources received from private contributions, German reparations, and Israel's own efforts. In addition Israel continues to receive aid from the Development Loan Fund, Export-Import Bank, and P.L. 480 sources.

It is hard to detect common denominators in the manifold problems of Afghanistan except, perhaps, the menace of Communist pressure from the north, which it shares with Nepal.

Nepal, like Afghanistan, is a remote country exposed directly to the menace of communism in adjoining territory. As in Afghanistan special assistance serves the vital function of offering an

alternative to greater economic dependence on the Soviet bloc. Nepal, too, is determined to maintain its full independence.

Pakistan, the largest Muslim country in the world and a sturdily anti-Communist member of both CENTO [Central Treaty Organization] and SEATO [Southeast Asia Treaty Organization], is again a special problem in many respects.

Largest by far in my area of responsibility stands India with its 410,000,000 people, who again have an outlook differing in various ways from those of their neighbors.

The diversities between these countries which I have just cited explain, we think, the necessity for flexibility in the components of the "indispensable instrument of our foreign policy"—the Mutual Security Program.

Experience has shown that each component of this program has its role in advancing United States interest—military assistance, defense support, special assistance, Development Loan Fund, technical cooperation, and the contingency fund. These are the instruments which you gentlemen supply and with which we work, choosing like a surgeon the instrument best suited to the operation.

Progress

The American people have achieved stature in the world by steadfastly and unselfishly supporting a careful, experience-proven assistance program during the past decade or more. This enlightened self-interest on the part of our people is prompted by their desire to secure, in company with other free peoples, the peaceful world upon which so much depends. The knowledge abroad that we propose to hew unfalteringly to this course is a psychological asset of the greatest importance.

Compared to the situation which existed after World War II the countries of the area for which I have some responsibility have all made progress. Lately the rate of progress in some countries has been considerably accelerated, thanks in important measure to the vital margin of additional resources made available through United States aid programs. This is no time for us to relax; if we did so this would be interpreted abroad by our enemies as a display of lack of faith in the future of the countries concerned and in the hope of their some day achieving economic and social development.

We should remember that United States aid is more than dollars and surplus commodities; it symbolizes to recipient countries United States faith that the receiving country has the capacity to achieve better things. Our aid gives rise to greater determination and greater efforts by the recipients.

All of us have pushed a car to get it started. The hardest part is getting the car to move at all. As the car begins to move forward even slightly, the pushing becomes easier. But it is folly to stop pushing when we hear the engine make its first tentative cough. A number of the countries with which I am concerned have fired one or two cylinders. We hope that their engines will soon really start turning over and will take over the job, but we must keep pushing now.

I make this appeal as one of those to whom the Mutual Security Program and our other means of aid are indispensable means to achieve the advancement of United States interests. I am confident that we will maintain, in conjunction with our friends, the momentum already achieved.

In the year since my predecessor appeared before you, there have been both good and bad developments in the Near East and South Asian area, but fortunately they have been more on the good side than on the bad side.

Arab-Israeli Relations

On the bad side Arab-Israeli tensions continue to exist, although no major military clashes took place during the past year. A most important element of this many-faceted problem continues to be the care and future of the Palestine refugees. We would be deluding ourselves were we to say that there is any hope for an early solution for this problem. Despite the efforts of the United States, which have been consistent if not always obvious, and despite the equally sincere efforts of other members of the United Nations, neither the Arab States nor Israel have shown the degree of willingness to negotiate or compromise which is necessary to insure a peaceful and lasting settlement of this problem.

The United Nations debated the Palestine refugee problem at some length during late November and early December. Much of this debate centered around the continuation of UNRWA as the agency providing relief and rehabilitation assistance to the refugees. In the course of that debate the United States stressed that action limited to

the mere extension of UNRWA after June 30, 1960, was not, in its view, a satisfactory way to serve the long-term interests of the refugees. The General Assembly, on December 19, 1959, finally adopted Resolution 1456, which extended UNRWA for a period of 3 years, to be reviewed at the end of 2 years.[2] The resolution also called on the United Nations Palestine Conciliation Commission to explore the possibilities of repatriation and compensation and urged host governments to take steps to rectify refugee relief rolls. Since there was clearly no acceptable alternative to the extension of UNRWA, the United States voted for this resolution. Had UNRWA gone out of existence, this would have created serious internal security problems for all of the Arab host governments and would have been a blow to the general stability of the Near East, adversely affecting the security of Israel. We regard the resolution as a modest but distinct step toward breaking the impasse that has so long obtained on the Palestine refugee problem.

The Congress is accordingly being asked to authorize $18.5 million in new money and permit the reappropriation of $6.5 million unused funds as the United States contribution to UNRWA for the continued care of the Palestine refugees. As in past years we do not envisage that our contribution will exceed 70 percent of total government contributions to UNRWA.

The executive branch is requesting that the earmarking of any part of these funds specifically for repatriation or resettlement not be included in the legislation this year. There are two main reasons for making this request.

The first and obvious one is that the requirements for assistance to refugees will continue at the same or a higher level during the forthcoming years. A 10 percent earmarking of the $25 million fund would place the United States delegation at the next General Assembly session in a position of having to pledge less than it has for the past 3 years. Were we at all hopeful that other nations would increase their contributions, a reduction in the amount pledged by the United States might be warranted, but such a development is not now in prospect. The Palestine refugees and the Arab host governments would interpret a reduction in the United States contribution as an effort to force a settlement of the refugee problem through financial pressure. This, in our best judgment, would run counter to our continuing efforts to progress toward solving this problem.

A second consideration which warrants the attention of this committee is that the specific earmarking of funds in the past has not produced the desired results. There is no immediate prospect that any Arab host government will be prepared to cooperate in the use of such funds for repatriation and resettlement purposes unless and until it is satisfied that the refugees' rights have been fully protected. The fundamental right as the refugees see it, and as has been consistently and specifically reconfirmed by the United Nations, is that they should be offered the option of choosing between repatriation or compensation. This option is something which Israel and the Arab host governments themselves must primarily assure. Our role is to assist them through the United Nations toward the resolution of this problem.

During most of 1959 the frontier areas between Israel and its Arab neighbors were relatively quiet. Some incidents, however, did occur in the demilitarized zone south and east of Lake Tiberias late in January 1960. U.A.R. troops subsequently moved to the Sinai area in what was described as defensive precautions. Fortunately the upsurge in tension caused by these developments appears now to be subsiding. In our view both sides should continue to cooperate fully with the United Nations and its subsidiary organizations, the United Nations Troop Supervisory Organization (UNTSO) and the United Nations Emergency Force (UNEF). The diligent service of these U.N. units is in large measure responsible for monitoring and controlling border tensions. The United States continues to contribute able officers to UNTSO and to render substantial financial and logistic support to UNEF.

Suez Canal Problem

A particularly difficult and continuing problem in Arab-Israeli relations is the question of the restrictions imposed on the transit of Israeli ships and cargoes through the Suez Canal. The United States has consistently maintained its support for the principle of freedom of transit through Suez. In addition to ourselves, some 23 other states made statements in support of this principle dur-

[2] For U.S. statements and text of the resolution, see BULLETIN of Jan. 4, 1960, p. 31.

ing the recent United Nations General Assembly.[3] We continue to believe that the United Nations channel affords the best prospect for achieving progress on this problem and are actively supporting the Secretary-General's endeavors. It is our hope that his efforts to achieve a solution between the parties directly concerned will be brought to an early and successful conclusion. As Secretary Herter pointed out during his remarks on this subject at the last United Nations General Assembly, ". . . If those immediately concerned seek to reconcile their differences in a spirit of mutual accommodation, progress can be made toward a solution." [4]

Jordan

During 1959 the United States continued to manifest its friendship for Jordan by extending substantial economic assistance. With its present resources Jordan is not a viable economic entity. Assistance under the Mutual Security Program, the UNRWA refugee relief program, and, on a smaller scale, from the Government of the United Kingdom has assured its continued existence. In this way funds voted by your committee have contributed substantially to preserving the political stability and the development of the economy of this small but strategically located country.

Other Problems of the Area

When my predecessor appeared before you last year the Iraqi revolution was only 8 months old and the internal political situation in that country was a difficult one. In the interim Iraq has continued to have severe political and economic problems, but we are confident that the Iraqi people themselves have the capability of deciding what best suits them as a form of government.

Mention should be made of two unresolved and stubborn riparian problems. Iraq and Iran during the past year have been disputing over their respective rights along the Shatt-al-Arab, the estuary which forms part of their common frontier. Similarly there have been differences between Iran and Afghanistan over water rights in the lower reaches of the Helmand River. We hope that reason and quiet diplomacy will be able to bring both problems to a solution satisfactory to the parties.

[3] For a statement by Secretary Herter, see *ibid.*, Oct. 5, 1959, p. 467.

[4] *Ibid.*

Hopeful Signs

Having spoken of the debit side, I would like to mention some favorable evidence which has developed during the past year which indicates that the climate of increasing stability, in part engendered by our aid efforts in collaboration with those of our allies and with the states concerned, has begun to pay off.

Last year Mr. Pilcher [5] asked cogently, "Have we more friends than 10 years ago?" I think that the number of our friends has increased to a noteworthy extent in the past 12 months. For this the President's trip [6] last fall made a great contribution—particularly in India and Pakistan—but there were other reasons which contributed to the enhancement of our prestige. The invitation to Mr. Khrushchev to visit the United States [7] was seen as a gesture evincing our moral strength—a display of willingness on our part to discuss East-West differences without compromising our own position or that of our allies. The fact of our prompt withdrawal from Lebanon—bills paid and leaving friends behind—increasingly was appreciated as giving the lie to those who talk about the "imperialist designs" of the United States. The most striking development of all was the India-wide reaction to the incursion of the Chinese Communists, which, coupled with the President's visit, caused many Indians to see their international position with new and clearer eyes.

As regards Greece and Turkey, the outlines of the Cyprus agreements which were worked out at Zurich and London just about a year ago have permitted a real strengthening of the relations between those two countries and their, and our NATO ally, Great Britain. Although these agreements are not yet fully consummated, they mark a significant development in Greek-Turkish relations and hence a contribution to the peace and tranquillity in the eastern Mediterranean. Economically both Greece and Turkey have made progress. Turkey's stabilization program, which was instituted with international cooperation over a year ago, is still moving forward. Greece is currently endeavoring to formulate a much-needed development program. Since the economies o

[5] Representative John L. Pilcher, member of the House Foreign Affairs Committee.

[6] BULLETIN of Dec. 28, 1959, p. 931, and Jan. 11, 1960, p. 46.

[7] *Ibid.*, Oct. 5, 1959, p. 476, and Oct. 12, 1959, p. 499.

both of these NATO countries are still unable to bear the cost of necessary defense, it is planned to continue to each some defense support assistance, although its scale is slightly reduced. The hope of the situations in Greece and Turkey has caused other European countries to become actively interested in participating in the economic development programs of Greece and Turkey. Applications of both countries for an appropriate relationship with the developing economic institutions of Europe are being sympathetically considered by the more developed countries of the European community.

In the last year three of the countries of the area, Turkey, Iran, and Pakistan—all members of the Central Treaty Organization, or CENTO, the new name for the Baghdad Pact—continued their efforts to provide for their collective security through united action. We plan to continue giving CENTO our close support through economic activities designed to further the trend toward greater regionalism. The CENTO area's critically inadequate internal communications—rail, road, and telecommunications—are being improved. We are also complementing our bilateral agreements by giving technical assistance to activities which can be more effectively carried out through regional action.

Iran under the leadership of the Shah continues to be important to free-world and United States security interests. Despite a hostile and abusive propaganda campaign conducted by the Soviet Union and its allies starting in 1959 and despite Soviet threats, Iran has refused to renounce its agreements with the free world and has continued to maintain common cause with the other free nations of CENTO and with the United States. Iran has made headway during the past year in a number of economic fields and is currently at the halfway mark in a major 7-year economic development program. In addition, with United States help it has improved its armed forces. Recently there has been a disturbing inflationary tendency with which the Iranian Government is attempting to deal.

South Asia

We are placing special emphasis on South Asia in an effort to concentrate our resources on a vital area of the world, whose countries have notably demonstrated a will and a capacity to help themselves. This is in accord with the report of this committee last year, which stressed the need to maximize development assistance where it could be most effectively utilized.

Afghanistan, with its long frontier with Russia, continues to be a target of Russian expansionism. The Sino-Soviet economic, military assistance, and cultural offensive, which began in 1954, started with a program in Afghanistan, which now looks increasingly to the U.S.S.R. for both trade and aid. Afghanistan desires to maintain its independence and remain free of the political or economic domination of any country. We hope that Afghanistan will be able to achieve this. The funds requested for Afghanistan in fiscal year 1961 will enable us to carry forward certain essential projects begun in prior years. Particular emphasis is being placed on transportation and education. Afghanistan's relations with Pakistan continue to be strained as a result of a dispute regarding the status of the Pushtu-speaking tribes on both sides of the Pakistan-Afghanistan border.

As a member of both CENTO and SEATO, Pakistan maintained its solidly anti-Communist policy and at the same time made economic progress. It remains clearly in the United States interest to maintain our support for the independence of our stanch ally Pakistan by enhancing Pakistan's economic and military strength. Pakistan is a good example of the way we can cooperate through the Mutual Security Program with a strong and friendly government and can advance the interests of both by contributing to the achievement of economic development, defensive military strength, and political stability. Pakistan continues to accord our policies its cooperation and support.

In 1959 Pakistan, under President Ayub Khan, consolidated its internal position, instituted reforms, checked inflation, and improved government operations and fiscal management. An export incentive scheme and effective restrictions on imports helped reduce a seriously adverse balance of payments. Large landholdings in West Pakistan are being redistributed among landless peasants, and incentives to agricultural production are being adopted.

Important advances were made during the past year toward reducing India-Pakistan tensions. The two countries made progress during the year toward solving some of their differences, including frontier problems, and appear on the thresh-

old of an agreement regarding the use of the waters of the rivers of the Indus basin.

The people of India continued their efforts to make economic progress and pushed ahead with their program of economic development designed to double the per capita real income of the Indian people in the 25 years 1951–76. This developmental effort is within the framework of a series of 5-year plans, the third of which is to begin April 1, 1961.

United States aid for India in all its forms clearly promotes the United States political objective of insuring through economic progress the continuation of democratic institutions and the basically friendly orientation of the Indian people toward the West.

The success of the development efforts of the democratic Government of India will demonstrate not only to the people of India but to those of other countries of Asia and Africa, who are closely watching the respective efforts of India and Communist China, that such a government is capable of obtaining the desired results, that essential economic progress can be achieved through democratic institutions and with the preservation of human freedoms.

Indus Waters

Since the partition of India in 1947 one of the two major disputes which have embittered relations between India and Pakistan has involved the use of the waters of the Indus River system. Throughout all recorded history the Indus basin has been the breadbasket of Punjab and undivided India. During the two centuries of British rule a vast network of irrigation canals were installed which made this the greatest irrigation system in the world. The present dispute arose from the fact that the border demarcation between India and West Pakistan cut across the six major rivers of the Indus River system, giving control of the upstream waters of those rivers to India. India wished to expand its use of these waters; Pakistan was fearful that its supply of these waters might be cut off or seriously curtailed by Indian action. The two Governments started negotiating under auspices of the International Bank for Reconstruction and Development in 1952 and in the summer of 1959 agreement in principle was finally reached on a Bank plan designed to insure the supply of water to both parties.

The two Governments are now engaged in negotiating a definitive water treaty. The Bank is hopeful that within 2 months India and Pakistan may be able to agree on all outstanding points. Construction of the system of works proposed by the Bank will require about 10 years and cost on the order of the equivalent of $1 billion.

Together with Australia, Canada, Germany, New Zealand, and the United Kingdom, the United States proposes to participate in the international financing plan which the World Bank will administer.[8] The contribution proposed by the Bank for the United States consists of $177 million in grant aid, $103 million in loans, and $235 million in local currencies to be derived from the operation of various United States programs in Pakistan.

Subject to future appropriations, the Government of the United States proposes to assist this project financially not only because it would lessen tensions between India and Pakistan but also because of our interest in furthering cooperatively a project upon which will depend the future welfare of some 40 million people living in the Indus basin. When completed, the entire system of works will be by far the largest integrated irrigation project in the world.

I consider that the solution of this serious issue will constitute a major step forward in promoting peace in the area and that the cooperative contribution to the cost of the program on the part of the other countries is an ideal way to finance the solution the World Bank is proposing. It is important to the success of the Bank's solution, however, that the Congress should grant the President's request for flexibility in the application of regulations normally applied to bilateral programs.

Military Aid

The strong defensive posture of the Greeks, Turks, Iranians, and Pakistanis vis-a-vis the Communist world is no artificial creation. These countries have had a long experience with their neighbors to the north and east, and even if no free-world aid were available they would strain their resources to maintain what they consider they need in the way of defense forces. They are stalwart, resolute people who share our detestation of Communist imperialism and with whom

[8] *Ibid.*, Mar. 21, 1960, p. 442.

our mutual defense arrangements are practical and meaningful. This built-in attitude suits our own defense requirements, but, just as we cannot do at home, we cannot permit defense requirements to wreck the economies of our friends. We try to achieve a balance in our aid between military and economic aid.

Our military assistance effort in this region is used to strengthen the free-world collective security system. Our expenditures, both in effort and substance, are therefore direct contributions to the security of the United States. All but 2 percent of our military assistance program for this region is devoted to the support of military forces in Greece, Turkey, Iran, and Pakistan. These countries are members of, and major contributors to, one or more of the defense organizations of NATO, CENTO, and SEATO.

The success of our military assistance to Greece in her hour of trial in 1948 was spectacular. We have reason to believe that our military assistance to other countries has been equally successful if less spectacular. It is not by chance that these countries so close to the power center of international communism in the Soviet Union have failed to succumb to Soviet threats and blandishments.

We are requesting $457.9 million for fiscal year 1961 to be devoted to military assistance. We feel that this sum is required to maintain the momentum of our military assistance program and that the appropriation of a lesser amount would entail risks to the security of the area which the Soviet Union would be pleased to see us take. Of the total being requested $159 million is programed for force maintenance, $246.7 for force improvement, and the balance of $52.2 is to be used for packing and shipment of materiel and other services. More than half the amount requested for force improvement is required to improve the forces of Greece and Turkey, who are members of NATO and whose military defenses are planned by that organization. In this connection the Soviets have amply demonstrated by economic and military assistance penetrations into the general area that they are eager to inject themselves to our detriment in any area which offers them an opportunity.

Communist Aid Programs

The success of United States aid efforts has been so impressive to the Communist bloc that it started a rival aid program in 1954 and has been pushing hard in this field ever since, with particular concentration on Afghanistan, India, Iraq, and both the Syrian and Egyptian regions of the U.A.R.

The need for aid is so great that no one country or group of countries can preempt the aid field. It makes little sense to attempt to outbid the Communist bloc in the aid field—to attempt to match ruble aid with dollar aid. Moreover it would be inconsistent for us to say that a dam in the U.A.R. or steel mill in India would not be an addition to the country's economy simply because Communist loans financed them and Communist engineers built them. This, of course, we do not say. We warn, however, with good reason that Communists are imbued with a driving faith in their credo of world revolution and seek always to make converts. We advise the receiving states to be wary and vigilant lest a byproduct of the Soviet aid they accept turns out to be the seed of the destruction of their freedom.

Such aid as the United States can offer comes, of course, without political strings of any kind and is given to the extent possible in the spirit of cooperatively helping people to help themselves. This contrast in approach is becoming more and more widely known and understood as the Communists insinuate themselves more and more into the underdeveloped areas as sharers of the burden of economic development. The willingness to accept aid from both sides is an article of faith of the unalined countries and they will continue to seek aid from the Communist bloc, but if the same volume and terms of assistance could be obtained from Western sources, the recipient countries would probably, all matters being equal, prefer to have it from the West.

There are no grounds for complacency on our part, however. Where Communist aid is preponderant, as in Afghanistan, the U.A.R., Iraq, and Yemen, or on a large scale, as in India, it is usually characterized by an influx of bloc personnel—technicians, advisers, and even skilled labor. The Communists in most cases literally take over the projects from the planning stage through to completion, soliciting a minimum of help from the recipient country. The United States, on the other hand, makes cooperation with the receiving country an important part of its aid program. It utilizes to the maximum degree indigenous skills, both technical and administrative, thereby at-

tempting to make a partner of the underdeveloped country. This procedure not only preserves the dignity of the receiving country but, what is equally important, it provides increased training and experience for local officials.

Secretary Herter alluded, however, to one form of the Communist challenge with which it is sometimes hard to deal—the extra inducements which the Communist countries have incorporated in their aid programs. He said:[9]

> A feature of the bloc campaign which has had great appeal to the recipients is the apparent willingness to provide types of projects which an underdeveloped country wants without requiring economic justification for the project or attempting to secure governmental reform of various economic policies. Nor does the bloc appear to require the various accounting checks which are involved in United States programs.

Low interest rates, repayment in commodities, and the "ask and get" formula are undoubtedly highly attractive features of Soviet aid, particularly in the case of governments racing to make a show of progress to their people and yet lacking trained individuals who can intelligently plan and execute a rational and properly phased development program.

In our determination to see to it that our aid is properly used we must beware of arrogating to ourselves omniscience regarding the needs of foreign countries, particularly those in severe need and exposed position. It is natural for the people who live in these countries to feel that *they* know best what they want. However, our friends, notably in South Asia, are coming more and more to understand that the rigid justifications and engineering standards we insist upon are elements which in the long run will protect them against ill-considered projects.

Where special circumstances require it, we should be prepared to show flexibility, but we have reason to believe we are fundamentally on the right track in our aid methods.

During the last decade the Mutual Security Program and its predecessors have contributed substantially to the peace and stability of the Near East and South Asia. It has deterred aggression and preserved the freedom of independent states menaced by Communist subversion. Step by step it has created in the minds and hearts of millions of people throughout the area an image of the United States as a nation dedicated to the cause of world peace. We think that the American people have been well served by the Mutual Security Program and that in the conduct of our foreign affairs it is essential to continue its important role.

The Mutual Security Program in Europe

Statement by Foy D. Kohler
Assistant Secretary for European Affairs[1]

The Mutual Security Program for Europe in fiscal year 1961 is almost entirely military. Its purposes, as in the past several years, are to encourage and assist our European allies in developing the military forces required for the common defense of the West.

I have always considered it unfortunate that, in newspaper and public discussions, our contributions to the European NATO [North Atlantic Treaty Organization] forces should be lumped under the general heading of "foreign aid." These contributions represent mutual security in the truest sense of the word. As has been made clear by spokesmen of the Defense Department who have appeared before you, our ability to deter and resist Soviet aggression does not depend upon United States military power alone. It depends upon the combined military power of the free

[9] *Ibid.*, Mar. 7, 1960, p. 375.

[1] Made before the House Foreign Affairs Committee on Mar. 16.

world as a whole. Our allies in Western Europe are making a substantial contribution to supplementing and supporting the military defenses of the United States, and our own security requires that we help to make their military efforts meaningful and adequate.

We have often heard certain fellow citizens emphasize the tremendous threat represented by international communism and have also heard some of them argue that United States defenses are not adequate to meet this threat. It seems highly anomalous to hear some of these same citizens advocate the elimination or drastic reduction of foreign military assistance. The Communist threat is indeed serious, and the need for adequate defense is imperative. But we delude ourselves dangerously if we ignore the fact that the defensive power which really counts is the total defensive power of the United States and other free nations. And in this total picture nothing would be more shortsighted than to deny ourselves the enormous dividends we receive from our investments in the military programs of our European allies.

Negotiating With the Soviet Union

The past year has been one of intense diplomatic activity. This will be intensified in the near future as we undertake a series of negotiations of perhaps fateful importance. The maintenance of the strength and effectiveness of the Western alliance will be more important during this period than at any time since the alliance was founded.

Within a few days we shall be sitting down with representatives of the Soviet bloc to talk about the possibilities of disarmament, and the United States Government is hopeful that the world may at last be on the threshold of genuine progress toward that goal. But there is one fact that we must keep clearly in mind. We can never expect to obtain a safe and workable disarmament agreement if we are so foolish as to make substantial reductions in our own armaments while we are attempting to negotiate such an agreement. If the Soviet Union could succeed in inducing the West to disarm itself while retaining the essence of its own military power, a genuine disarmament agreement would become a pipedream. We certainly intend to negotiate with the Soviet Government in good faith, but we do not intend to give them something for nothing.

Within a few weeks the Heads of Government of the United States, France, the United Kingdom, and the Soviet Union will meet in Paris.[2] At that meeting we, the United Kingdom, and France will continue our longstanding efforts to make progress toward a resolution of some of the outstanding points at issue between ourselves and the Soviet Union.

No one can now predict what will be the outcome of these discussions. No one knows whether any real progress will be made toward a just solution of the problem of Germany, which, due to Soviet intransigence, remains divided; of Berlin, whose people are determined to remain free and maintain their links with the West; and of genuine, controlled disarmament. There is, however, one thing that can be said with absolute certainty. Solutions to these problems on a basis compatible with elementary considerations of justice and consistent with basic principles from which we cannot deviate and still retain our freedom and dignity will not be promoted by any weakening of our posture or our will.

We might, in fact, take a lesson from the opposition in this regard. It is true that the time-phased Soviet ultimatum of last year has been withdrawn, and an intent to seek settlements by peaceful means through negotiations has been proclaimed. However, Mr. Khrushchev has recently been making it clear that there is no alteration in the basic Soviet positions on Berlin and Germany and that the threat of unilateral Soviet action at some time remains. And while Soviet propaganda has been trying to make capital of the Soviet announcement that it planned to reduce armed force personnel over the next 18 months or so to a level approximating that of the United States Armed Forces, he declared to the Supreme Soviet on January 14 that "the Soviet Army now has combat means and firepower never before possessed by any army" and "would be able to literally wipe the country or countries which attack us off the face of the earth." Moreover, during the recent Asian tour he has been proclaiming that "the Soviet Union is the world's most powerful nation in the military sense."

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[2] The four powers will meet at Paris on May 16; for an exchange of messages between President Eisenhower and Premier Khrushchev, see BULLETIN of Jan. 18, 1960, p. 77.

Thus I would repeat that, as we enter into the period of renewed negotiations with the Soviet Union, the unity and the strength of the free world are of the greatest importance. Solutions to outstanding problems will not come easily. They will take a long time to accomplish. While we continue to seek these solutions, as we have in the past, it would be folly to weaken our collective military posture in the uncertain period ahead. If we are not serious about our defenses now, we will never be able to convince anyone of the seriousness of our intentions in what may well be a prolonged period of negotiations.

Military Assistance for Europe

Military assistance proposed for European country programs for the next fiscal year totals $459 million. The total for NATO countries, including Greece and Turkey, is $740 million. In addition there are certain regional programs—international military headquarters, infrastructure, mutual weapons development, weapons production, the NATO Maintenance Supply Services Agency—intended to support activities entirely or almost entirely within the NATO area. Including these regional programs there is a total of a little over $1 billion in military assistance programed for the NATO area.

Military assistance proposed for Europe for fiscal year 1961 is approximately the same amount as that proposed last year. It is an increase over the amount finally programed for the area in fiscal year 1960. Reduced appropriations in fiscal year 1960 as well as in fiscal year 1959 necessitated deferral of a number of important NATO requirements. Consequently increased allocations are now necessary to help offset the reduced appropriations of prior years which have resulted in a serious depletion of the pipeline. The executive branch is gravely concerned over the weakening effects on NATO's military strength which will follow unless steps are taken to remedy this steady reduction.

The program which is now submitted for fiscal year 1961 is considered to be the minimum required to support a level of expenditures adequate to finance items which are of critical importance to NATO plans in the next few years and which our NATO allies would be unable to procure themselves except at the expense of other important sectors of their NATO defense effort.

The fiscal year 1961 program for our NATO allies is primarily designed to improve their air-defense capability. Approximately 50 percent of the program is earmarked for this effort. Another 30 percent is devoted to missiles other than for air defense, to minelayers, and to antisubmarine-warfare ships and aircraft. The remaining 20 percent of the program provides maintenance and support for previously programed equipment and selected conventional equipment to modernize NATO-committed forces in Denmark, Italy, Norway, Greece, and Turkey. A substantial portion of the program for NATO countries, Greece and Turkey excepted, is made up of items involving cost-sharing projects designed to induce increased and more effective country contributions to the NATO defense effort and to provide an incentive for greater country efforts toward essential modernization of NATO-committed forces. But in addition to modernization it should be noted that most European NATO countries are facing growing problems of replacing obsolescent conventional equipment of their armed forces, and the procurement of more modern items of major equipment in this area will absorb substantial parts of their defense budgets over the next few years.

Need for Continued U.S. Assistance

There is certainly more agreement on the necessity for building up our defenses today than there is on the question which logically follows from it, namely, how this is to be accomplished. The question which is uppermost in the minds of many concerned with our common defense is this: Granted that our Western defenses must be strengthened, are all NATO allies making as substantial a contribution to this end as they should, or is the United States carrying a disproportionately heavy share of the Western defense burden?

The recently improved international payments and reserve position of Western European countries, coupled with a decline in United States reserves, has prompted the proposal that European NATO members might now take over entirely the burden of meeting their military requirements. However, examination of the nature of military assistance to the European area shows that this is not essentially a problem of balance of payments. Indeed, as the committee knows, most of the money appropriated for military assistance is

spent in the United States. Furthermore, military assistance to Europe generates purchases in the United States of spare parts and maintenance material which exceed the value of aid money spent in Europe. Last year such purchases were $300 million above United States military assistance funds expended in Europe. I think it is accordingly clear that drastically reducing or closing out our military assistance to Europe would not solve this country's balance-of-payments problem.

To the more general question as to why our European allies, in view of their remarkable economic progress, cannot be expected to bear the entire cost of their military programs, the answer is also clear. Our European allies would be able to pay their own defense costs, provided we and they were willing to accept a substantially lower level of total defensive power. Our contributions are designed to maintain a level of defensive strength which is much greater than could be expected from Europe's efforts alone.

It is true that our European allies have made general economic progress. However, they continue to suffer a number of serious economic limitations. Living standards in most NATO countries are still from one-third to one-half as high as American living standards. At the same time tax rates in other NATO countries, on the average, are higher than United States tax rates despite the relatively deeper cut this means into consumption levels. Several European countries have joined us in extending substantial economic assistance to the underdeveloped areas of the world. Also the governments of these countries encounter some of the same political obstacles to increased defense efforts with which we are familiar in our own country. Since modern weapons are incredibly expensive, some of our allies simply cannot afford to equip their forces with these weapons and at the same time bear the heavy maintenance costs they have already undertaken.

In view of the very real financial limitations of our European allies, as well as the ever-present political pressures for arms reduction, an elimination or drastic cutback of United States assistance would almost certainly provoke a downward chain reaction throughout the NATO area. The allied governments and peoples would say, in effect, "If the United States Government no longer considers our defense programs important, why should we strain our economy to maintain these programs?" In other words, if we are unwilling to accept the concept that *total* defense is what really counts, if we make the mistake of accepting the idea that each country must finance its own defense program through its own resources, then we must face the fact that the net result will be a dangerous reduction in the combined defensive power of the free world.

European Contributions to Common Defense

Having made these cautionary remarks, I am glad to be able to report certain positive steps that are being taken to increase European contributions to the common defense.

In the first place the economies of some NATO countries have improved to the point where they are considered financially capable of purchasing their own military equipment needs, and grant materiel assistance is not presently programed for these countries. For all other countries military grant aid is extended only after careful examination to determine whether the country can purchase the materiel and how the assistance can elicit a greater or more effective effort by the country itself. In addition certain items such as spare parts and other conventional maintenance requirements of the European NATO countries, which were formerly covered by the military assistance program, are now financed for the most part by the countries themselves.

We think the record shows that we have had a very considerable measure of success in eliciting increased contributions from our NATO allies for our common defense; in fact, considering the political and other impediments involved we are surprised at the favorable showing ourselves. The total of defense expenditures for the European NATO countries last year was $13.6 billion, an increase of 11 percent over the $12.2 billion spent in 1958 and more than double the 1950 expenditures.

Furthermore, the trend toward significantly increased defense expenditures is expected to continue. The Netherlands is planning to increase its defense budget by 9 percent in 1961; the United Kingdom has announced a 7.6 percent increase; the Italian Government has already put into effect a 4 percent progressive annual increase; the Belgian defense budget for 1960, which has just been submitted to Parliament, represents a 6 percent increase over 1959. Following the resolution of certain problems of training sites and types of

equipment German defense expenditures rose steeply by 68 percent from the 1958 level of $1.6 billion to $2.7 billion in 1959. Let us not ignore the fact that in 1953 the United States was paying about 28 percent of the total defense costs of our European allies; today we are paying about 8 percent.

An abrupt termination of all grants of military equipment would seriously weaken the alliance system upon which the security of the United States depends. The actions of the United States in this field in the last analysis must be directed to the building of stronger allies who will make progressively larger contributions to the common defense.

We all know, of course, that the threat of international communism is not military alone, that the contest between the free world and the Soviet system is waged on many fronts. Our freedom and security are always endangered by Soviet capture of the territory, population, and resources of other nations. This is true whether the capture results from direct military aggression or whether it results from internal subversion, creation and exploitation of social chaos, political pressures, or economic blandishments. This means that we must continue to assist the lesser developed nations of the world in securing a greater measure of stability and well-being.

Economic Assistance and Special Projects

At present economic assistance from the United States to Europe has practically disappeared, except for a few small programs designed to deal only with special situations. Far more important is the contribution which our European allies are themselves making to the social and economic development of vast areas of Asia and Africa—a contribution which adds significantly to our own efforts and which we hope will increase in future years. We should recognize that these grants and loans by European governments for purposes of helping the lesser developed areas contribute to our common defense just as truly as their military expenditures do. Meanwhile, I would like to comment briefly on our special economic projects within Europe itself, which are rapidly diminishing in size but which are nevertheless important to our national security.

We believe defense support for Spain has been instrumental in maintaining the spirit of cooperation which has made possible the construction and effective utilization of the air- and sea-base complex jointly operated by the United States and Spain. This program provides resources to cover Spanish import requirements which contribute to economic stability in Spain. Defense support was also an element in the Spanish economic stabilization program, which has brought about sounder fiscal and monetary policies and so far reversed the serious loss of foreign exchange. A small technical cooperation program is contributing toward modernization of Spain's civil aviation system and improvement in its agricultural and industrial productivity.

The Federal Republic of Germany is now providing the help necessary to maintain Berlin's economic well-being. United States special assistance for Berlin, although modest in amount, underlines our undiminished interest in the city's survival in freedom and is a support to the government and the people of the city in their resistance to the unrelenting Communist pressures to which they are subjected. American aid is being used jointly with West German and West Berlin financing for the construction in Berlin of a medical teaching center. The center, when completed in 1964, will not only help to relieve the present hospital-bed shortage but will stimulate the training of medical personnel and will introduce American research techniques while at the same time generally furthering development of German medical research.

The program for Yugoslavia for next year is limited to a small amount of technical cooperation. This assistance is designed to familiarize Yugoslav technicians with modern American methods in agriculture, industry, mining, transportation, and public administration. The fact that we are continuing assistance to Yugoslavia does not imply approval of the Yugoslav political or economic system. It should be regarded rather as a demonstration to the satellites of Eastern Europe and to the uncommitted nations of the world that the United States is ready to support the efforts of any country which needs help in preserving its independence from Soviet domination.

The fourth program of economic assistance is for NATO science and the multilateral programs of the Organization for European Economic Cooperation (OEEC). The NATO science program, now in its third year, supports fellowships, research institutes, and research projects aimed at

increasing the overall effectiveness of the scientific potential of NATO countries. Of the OEEC programs the United States is particularly concerned with those projects with the objective of increasing the number and quality of scientists and technicians of the Atlantic Community, as well as those of assistance to areas of the world in the process of development.

In summary I would like to call attention again to the negotiations we are about to begin with the Soviet Union. These negotiations will present us simultaneously with a tremendous opportunity and a tremendous challenge. Our ability to make progress toward a secure and peaceful world will depend in large measure upon the strength, unity, and determination displayed by the Western World as a whole. I do not need to stress the dangerous consequences that could follow if the Soviet Union, or even our friends, gained the mistaken impression that United States support for NATO was slackening at this critical time. I am convinced that the Mutual Security Program is one of the surest and most effective means of mobilizing our strength in NATO. It is for this reason that I believe favorable congressional action on the Mutual Security Program is of greatest importance in carrying out our defense and foreign policy objectives.

The Mutual Security Program in Latin America

Statement by R. R. Rubottom, Jr.
Assistant Secretary for Inter-American Affairs[1]

It is my privilege to appear before you today in support of the Mutual Security Program for Latin America for fiscal year 1961.

In proposing our program we have had to recognize that basic changes in the course of the social, political, and economic development of Latin America are now taking place. Many of these changes result in demands of one kind or another upon this Government and upon this Nation.

The geographic situation of the American Republics, their separation from other land areas, has fostered a mutuality of attitudes and of actions. This same separation has resulted in many cases in sensitivity of one American Republic to developments in another. We also continue to share a common Western political heritage—freedom for the individual under truly democratic governments. This common heritage is but one of the bases for the tradition of inter-American cooperation, and the provision of technical cooperation and economic assistance to Latin America is part of our basic foreign policy. Its continuing objective is to further the development of a strong, friendly, and independent group of nations, united to protect the democratic way of life.

The present recognition of the need for development of resources, diversification of economies, improvement of fiscal policies, and attraction of increased investment, both foreign and domestic, is a vital force throughout the area, just as is the strong desire among the great mass of the people to enjoy a better standard of living, improved health conditions, and greater educational advantages.

Almost every aspect of our national life is affected, in one way or another, by events occurring in Latin America; and it is vital that we have a clear awareness of the depth and the magnitude of the Latin American revolution, which is producing important changes in the social, political, and economic structures of the various countries. These changes in turn produce long-lasting stresses which lie at the root of political explosions and continuing instability which make the

[1] Made before the House Foreign Affairs Committee on Mar. 15.

headlines. Because the changes in the social makeup of the area are deep and far-reaching, we must be prepared, I believe, for further transition and continued instability during the coming years. This, of course, will require both attention and action by the United States by virtue of our inter-American partnership. Our program of technical cooperation and economic assistance is specifically aimed at improvement of economic and social conditions throughout the area.

Every effort must be made to check Communist infiltration and subversion in the hemisphere and to improve unhealthy economic and social conditions, upon which communism feeds. One of the important tools which we can utilize to combat this infection is an effective technical and economic assistance program such as we are proposing. We believe that in Latin America, as everywhere in free societies, improved living conditions and social standards can be attained without sacrificing the dignity of the individual, the right to freedom, and the protection of social minorities. At the same time the Communist world advocates another way to the fulfillment of the people's aspirations, preaching dangerous doctrines of repressive action which they claim are a shortcut to the goal.

The overwhelming majority of the people of Latin America has rejected the Communist way, seeing it as a contradiction of their own traditional philosophies; but we must not complacently expect the inter-American community to be able to defend itself against Communist blandishments, threats, and subversion unless all of its members, including the United States, devote their energies and resources to demonstrating the effectiveness of our way of reaching desired economic and political objectives and to blocking the Communists' efforts.

The importance of increased trade and investment in the expanding economies of Latin America cannot be too strongly stressed, and it continues to be our strong conviction that the aspirations of these countries to better the condition of their people can best be fulfilled through United States support and encouragement of the free-enterprise system. The economic interdependence of the Americas is one of the dominant facts of life within the hemisphere. About 22 percent of our total exports go to Latin America. At the same time we buy approximately 45 percent of the goods exported by that area. About one-third of our private direct investments abroad are made in Latin America, these now totaling over $9 billion. These investments have been increasing at an annual rate of approximately $600 million over the past few years. The continuing cooperation of U.S. private capital in Latin American development, on terms fair and equitable to all, is of the greatest importance to the economies of these nations and to our own.

Without minimizing in the slightest degree the importance of trade and investment in the development of the Americas, we nevertheless recognize that there are gaps which these elements cannot fill.

There is a continuing and increasing need for loans for such purposes as transportation, port development, public utilities, and the like, to which private capital is not attracted, by such lending institutions as the Export-Import Bank, the Development Loan Fund, the IBRD [International Bank for Reconstruction and Development], and, in due course, the recently created Inter-American Development Bank.

Another equally significant gap is the need for development of technical skills which must be imparted if agricultural, industrial, and other technological development, as well as social advancement, are to keep pace with the countries' needs. In these fields the Latin Americans have recognized the value of our experience and know-how and are increasingly seeking our cooperation in making them available.

Proposed Fiscal Year 1961 Nonmilitary Aid Level

We are proposing to the Congress a bilateral nonmilitary program for Latin America for fisca year 1961 totaling $39.5 million for technical co operation and $23.1 million for special assistance Compared with the actual fiscal year 1960 pro gram, $2 million more is proposed for technica cooperation; but $1.7 million less is proposed fo special assistance, or a net overall increase for al of Latin America of $300,000 over the current im plementational level. With respect to technic cooperation the committee will note that our re quest for fiscal year 1961 is actually $4.2 millio below our original request to the Congress for fi cal year 1960, while our current request for speci assistance is $4.5 million below last year's.

In addition we are likewise proposing our cu tomary annual pledge of $1.5 million for the mu

tilateral technical cooperation program of the Organization of American States, our actual contribution being subject to the proviso that it will be limited to 70 percent of total contributions by all member countries.

Technical Cooperation

The major objective of technical cooperation in Latin America is the development of human resources through demonstration and training. In most, if not all, of the countries in Latin America a principal impediment to economic progress is the acute shortage of skilled human resources necessary to make effective use of available physical resources. This shortage is due in large part to the lack of adequate technical training institutions and services. To help overcome these deficiencies, technical cooperation assists the host countries to identify their human resources problems and to formulate programs aimed at their solution. Once the initial recognition of a deficiency in human resources has taken place, there remains the long and arduous task of establishing and staffing institutions necessary for the development of human resources. A concentrated attack can then be made on the problem of increasing the number and quality of skilled technicians, managers, and administrators who are essential to economic development. Institution building is thus one of the most effective ways of making available to the peoples of countries less technologically advanced than our own the accumulated stock of technical knowledge that we have available. For this reason technical cooperation, like all educational endeavors, is a long-term program.

Economic aid, on the other hand, is intended to supplement the physical resources of a given country, in order to assist in speeding up its economic growth. Within the ICA [International Cooperation Administration] program, economic aid to Latin America is made available on a very limited scale in the form of special assistance.

Technical cooperation and economic aid must be clearly distinguished from each other, although in some countries both are needed and are carefully coordinated for maximum effectiveness. It is the job of technical cooperation to help a country realize the need for balance in its economic and social development, the need for a better investment climate, and the need for planning and budgeting for such development. Economic aid, however, is also necessary in several of the countries if this development is to take place in the next few years at a rate at all responsive to the aspirations of the people. A clear distinction should be made between ICA economic aid and credits provided by a growing list of national and international lending institutions.

Special Assistance

Bolivia

Bolivia experienced a profound social revolution in 1952, as a result of which the traditional structure of Bolivian institutions was severely shaken and the country's economic situation was on the verge of chaos. U.S. assistance, which began in 1953, softened the effects of this economic crisis and lessened further political and social upheaval which could have affected the security of the entire hemisphere. At first grant aid insured that minimal food requirements were provided in order to alleviate the sufferings of the Bolivian people. Since 1956 our aid, together with that of the IMF [International Monetary Fund], has helped make it possible for the Bolivian Government to carry on a program of economic stabilization.

In spite of progress achieved under this program the country has not reached the point where it can be considered self-supporting. Bolivia's economy is dependent almost entirely for its foreign exchange income upon minerals, with tin accounting for the major portion. The enactment of a fair petroleum code has encouraged the entry into Bolivia of private foreign investment, and petroleum holds out a hope for improvement in the country's economic situation. This hope, however, is still to be realized, for the expansion of petroleum production is just beginning.

The basic problems of a low standard of living and low economic activity have been complicated by preelectoral maneuvering, in which the extremists have created problems for the Government in the maintenance of law and order. A new administration is to take over the reins of government later this year and will have the task of continuing the effort to prevent political excesses and to improve economic conditions. The period of economic and political instability is not over yet, and it is apparent that in order to give Bolivia time to develop a self-sustaining economy we shall have to continue our aid for the time being.

Haiti

Special assistance for Haiti dates from the aftermath of a devastating hurricane in the fall of 1954, which was followed within the next 2 years by severe drought conditions in the north, extensive floods in the southern portion, a disastrous coffee crop in 1956 (coffee normally accounts for about 70 percent of Haiti's export earnings), and the fall of the Magloire administration, which brought with it a protracted period of political and economic crises.

In consultation with the IMF a stabilization program was put into effect in Haiti in mid-1957, shortly before the present Duvalier administration took office. Special assistance has been an indispensable factor in this program, in arresting the economic and financial deterioration and providing a firmer basis for responsible government. It has enabled Haiti to maintain a free exchange system and to assure the inflow of essential imports. Concurrently, despite economic strains and political pressures, the Government has taken steps to restore equilibrium through severe budgetary austerity and credit restrictions.

Through the special assistance program and DLF [Development Loan Fund] credits, projects are being put into effect which within a relatively short time should yield substantial results in production for domestic use and for export. As a result of the austerity program there has been a modest improvement in Haiti's monetary reserve position. We feel that it should be possible to terminate special assistance for Haiti within the relatively near future.

West Indies and Eastern Caribbean

The proposed program for special assistance to the new federation of The West Indies is a case of U.S. identification with the aspirations of a people evolving from colonial to dominion status in an area of strategic and economic importance to the United States. Special assistance requested would serve to strengthen the federation at its weakest point through the construction of educational and training facilities in the poorer islands. In addition a small part of the program would be devoted to the acquisition—from U.S. surplus stocks wherever possible—of transportation and roadbuilding equipment for the construction of farm-to-market roads. The special assistance program serves to complement major technical cooperation efforts in education, transportation, public administration, and agriculture.

Military Assistance

During the last year some Members of Congress have seriously questioned the desirability of continuing the program of grant military assistance we are conducting in Latin America. Similar adverse comment has appeared in the press and in some of the studies which private research institutions have prepared on various aspects of our foreign policy at the request of the Senate Foreign Relations Committee. From this criticism three principal charges emerge: first, that our military program has stimulated Latin American countries to make heavy expenditures on armament; second, that the program has the effect of maintaining dictators in power; and third, that

Foreign Relations Committee Studies on U.S.–Latin American Relations

The Senate Foreign Relations Committee was authorized by the Senate on July 28, 1958, and in continuing authorization on February 2, 1959, to have its Subcommittee on American Republics engage selected research organizations in an inquiry into U.S. relations with the other American Republics. Following is a list of the studies now published as committee prints.

Post World War II Political Developments in Latin America. University of New Mexico School of Inter-American Affairs. No. 1. November 19, 1959. 72 pp.

Commodity Problems in Latin America. International Economic Consultants, Inc. No. 2. December 12, 1959. 96 pp.

The Organization of American States. Northwestern University. No. 3. December 24, 1959. 87 pp.

United States Business and Labor in Latin America. University of Chicago Research Center in Economic Development and Cultural Change. No. 4. January 22, 1960. 103 pp.

United States and Latin American Policies Affecting Their Economic Relations. National Planning Association. No. 5. January 31, 1960. 133 pp.

Problems of Latin American Economic Development. University of Oregon Institute of International Studies and Overseas Administration. No. 6. February 11, 1960. 140 pp.

Soviet Bloc Latin American Activities and Their Implications for United States Foreign Policy. Corporation for Economic and Industrial Research. No. 7. February 28, 1960. 172 pp.

it is a costly, wasteful, and otherwise undesirable approach to the real necessities of hemispheric defense, which could be met by creating a small, collective inter-American defense force, which could be used, in accordance with agreed multilateral arrangements, to maintain peace against threats arising inside the hemisphere.

With respect to the first charge I would like to make clear that this program is not designed to encourage participating countries to undertake heavy military expenditures. The program does not constitute U.S. endorsement, direct or implied, of the present size and character of Latin American military establishments. Although Latin American countries have the sovereign right to determine their own military requirements, we believe that most of them could reduce their military expenditures without jeopardizing their security. We have made clear to countries participating in the grant program that U.S. military interests in the program do not extend beyond those units which they have consented, in agreements with the United States, to maintain for regional defense under the Rio Treaty. In no Latin American country do the local military units receiving U.S. grant aid constitute more than one-sixth of the total personnel strength of the local armed forces. From this maximum the percentage of local forces supported by the U.S. program for regional defense purposes ranges downward to a low of 2 percent. By giving primary emphasis within their military establishments to that very small fraction of their total forces deemed by military authorities to be an essential regional defense requirement, participating countries should be able to effectuate real savings in their annual defense expenditures.

In the absence of international agreements in which Latin American countries consent to limit their armed forces to agreed levels, each country obviously is free to maintain forces additional to those maintained for regional defense pursuant to agreements with the United States. While we do not, under section 105(b) (4) of the Mutual Security Act, provide grant assistance for such additional forces, Latin American countries are eligible to purchase equipment for that purpose through our military sales program. In considering each request for the purchase of armament we reserve to ourselves the right to deny the sale. We feel particularly disposed to exercise our right of denial when we believe that the equipment would contribute to acute political tensions, such as those now existing in the Caribbean area. Under normal circumstances we counsel Latin American countries to forgo purchase when we consider the armament to be militarily unnecessary or to represent a serious drain on their economic resources.

However, experience has shown that, when denied the opportunity to purchase U.S. equipment, Latin American countries usually are able to procure it elsewhere. In acquiring non-U.S. armament they have a choice of procurement from numerous free-world suppliers or from the Soviet bloc. It does not follow, in consequence, that the United States should respond favorably to every Latin American request for arms of whatever type or quantity. Nevertheless, the sovereign right of each country to determine its own military requirements and the availability of arms from numerous non-U.S. sources, including the Soviet bloc, are factors that remove the problem of Latin American arms limitation beyond the effective range of unilateral U.S. arms control policy.

Any reduction of Latin American arms expenditures must be brought about by decisions taken individually or collectively by the Latin Americans themselves. We have wholeheartedly supported the Latin American proposal for an item on the agenda of the 11th Inter-American Conference which will raise for consideration at Quito the desirability of holding a special inter-American meeting to discuss Latin American arms limitation. We likewise have welcomed the recent initiative taken by President Alessandri of Chile and President Prado of Peru to have the problem discussed in some inter-American forum prior to the Quito conference. During any inter-American discussion of the subject, we are prepared to make the most helpful contribution possible. We also are prepared to make our own programs and policies consistent with any arms limitation arrangements agreed to by the Latin American countries that are not incompatible with our own interests.

In commenting on the second charge made against the grant program, namely, that it has helped to maintain dictatorial regimes in power, I should like to recount briefly the history of our military relations in Latin America since the commencement of World War II and also to note the parallel development of constitutional government

in the area. Because of World War II, Korea, and the aftermath of the cold war, U.S. military cooperation with Latin American countries is now more extensive than at any time in our history. We have available in the Rio Treaty an arrangement for regional defense. In the Inter-American Defense Board we have a regional organization engaged in military planning for the common defense. We maintain military training missions in 17 countries. Since 1952 we have concluded mutual defense agreements with 12 countries which have agreed to maintain small fractions of their total armed forces for the performance of regional defense missions. Through fiscal year 1959 approximately 10,600 courses of instruction have been completed by Latin American military personnel at U.S. military schools and training centers in the United States and the Canal Zone. In addition to maintaining our historic military facilities at Guantanamo and in the Canal Zone, we are now utilizing facilities located in two countries for essential downrange tracking of intercontinental missiles. We may have a future requirement for similar Latin American sites in connection with our rapidly expanding satellite and space programs.

During this period of extensive U.S. military relations with Latin American countries, there has been a notable increase in the number of constitutional regimes in the area. In the majority of countries in which democratic governments have replaced dictatorial regimes the local military has presided during the difficult period of transition immediately preceding the establishment of orderly, constitutional government. In such countries the local military is continuing to support the new government and to provide it with that degree of security from antidemocratic acts of subversion and violence which is prerequisite to the functioning of the democratic process. These developments in constitutional democracy in Latin America tend to refute the allegation that our military program has impeded the growth of free political institutions in the area.

U.S. military personnel assigned to Latin America scrupulously adhere to the policy of nonintervention which underlies all U.S. foreign aid activities. Nevertheless, as U.S. and Latin American military personnel are brought into close professional association through our military programs, whether in MAAG's [Military Assistance Advisory Groups], military schools, training missions, or the Inter-American Defense Board, they gain not only a better understanding of the problems of hemispheric defense but also a deeper appreciation of the democratic ideals which we and Latin American nations share in freedom from Soviet domination. As a result of these contacts we believe that there is increasing emulation in Latin American military circles of the nonpolitical role played by the U.S. soldier in our national life.

It was proposed last year that we terminate our grant program—or drastically curtail it—and put the proceeds into support provided an inter-American defense force to be utilized, when determined necessary by the Council of the Organization of American States, to maintain the security of the hemisphere against internal threats to the peace. The feasibility of establishing such a force is now under study within the executive branch of the Government. However, if we should decide that the establishment of such a force would be in the best interests of the inter-American system and the United States, the political and military merits of the proposal would have to be considered fully and favorably by other members of the Organization of American States. Such a force could not be established within existing inter-American arrangements but would require the conclusion of new international agreements at an appropriate inter-American conference. Taking into account the political and military complexity of establishing a force acceptable to all members of the inter-American community, I frankly see very little prospect of the proposal being adopted and put into effect during fiscal year 1961.

It should be recognized that the units we are assisting Latin American countries to develop through the grant aid program constitute regional forces in being which may be utilized, with the authorization of their government and pursuant to procedures prescribed in the Rio Treaty, to assist in maintaining peace from threats inside the hemisphere. These units are adaptable to being utilized in connection with any inter-American defense force the United States and Latin American nations may decide to establish. Their utility was demonstrated recently in Banyan Tree II, in which a number of them participated with U.S. forces in a military training exercise designed to test their capability for defense against a mock attack in the Canal Zone area.

Proposed Fiscal Year 1961 Level of Military Aid

The Joint Chiefs of Staff have concluded that there is a valid military requirement for Latin American participation in measures important to the defense of the Western Hemisphere and that it is necessary for the United States to render military assistance to those countries with which the United States has concluded bilateral military plans.

In support of U.S. policy objectives we plan for fiscal year 1961 a program of grant assistance requiring appropriations totaling about $49 million. In addition we require a total of $18 million for financing credit sales of equipment under section 103 of the Mutual Security Act. This money will be repaid to the United States with interest.

Of the total of about $49 million needed for grant assistance, $16 million is for training and miscellaneous services, leaving only about $33 million for materiel. Over 50 percent of the total materiel money is required for the third increment of the 4-year program we have agreed to provide Brazil in connection with the U.S. missiles tracking facility located on Brazilian territory. After meeting the materiel requirements of the fiscal year 1961 Brazilian program, we will have less than 50 percent of $33 million to use in meeting the materiel requirements of nine countries.

We are requesting no fiscal year 1961 funds for Cuba or the Dominican Republic. No materiel has been delivered to Cuba subsequent to January 1959. The only military assistance provided Cuba since that date has consisted of training provided a very small number of Cuban military personnel to complete training in the United States commenced in 1958. The last of these students will complete their courses in July. In view of the political tensions now existing in the Caribbean area, we have delivered no grant materiel to the Dominican Republic during the current fiscal year except a small amount of equipment previously approved for the Dominican program in May 1959. None of this equipment included planes, vessels, weapons, or ammunition.

The military assistance we plan to provide in fiscal year 1961 is required by the Latin American countries included in this program. The participation of the recipient countries in measures directly relating to the common defense of the Western Hemisphere is required and important to the security of the United States.

DEPARTMENT AND FOREIGN SERVICE

Confirmations

The Senate on March 18 confirmed the following nominations:

Theodore C. Achilles to be Counselor of the Department of State. (For biographic details, see Department of State press release 54 dated February 9.)

Selden Chapin to be Ambassador to Peru. (For biographic details, see Department of State press release 71 dated February 17.)

Thomas C. Mann to be the representative of the United States to the 16th session of the Economic Commission for Asia and the Far East of the Economic and Social Council of the United Nations.

TREATY INFORMATION

Current Actions

MULTILATERAL

Automotive Traffic

Customs convention on temporary importation of private road vehicles. Done at New York June 4, 1954. Entered into force December 15, 1957. TIAS 3943.
Accession deposited (with reservation): Bulgaria, October 7, 1959.

Finance

Articles of agreement of the International Finance Corporation. Done at Washington May 25, 1955. Entered into force July 20, 1956. TIAS 3620.
Signature and acceptance: Spain, March 24, 1960.

Health

Amendments to articles 24 and 25 of the World Health Organization Constitution of July 22, 1946 (TIAS 1808). Adopted by the 12th World Health Assembly, Geneva, May 28, 1959.[1]
Acceptances deposited: Viet-Nam, September 7, 1959; Denmark and Switzerland, January 15, 1960.

Shipping

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044.
Acceptance deposited: Yugoslavia, February 12, 1960.

Telecommunications

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1952 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960. TIAS 4390.
Notification of approval: Rumania, February 15, 1960.

[1] Not in force.

International telecommunication convention with six annexes and final protocol. Signed at Geneva December 21, 1959. Enters into force January 1, 1961.

Signatures: Afghanistan,[2] Albania,[2,3] Argentina,[2,3] Australia,[2] Austria,[2] Belgium,[2] Belgian Congo and Territory of Ruanda-Urundi,[2,3] Bolivia, Brazil, British East Africa, Bulgaria,[2,3] Burma, Byelorussian Soviet Socialist Republic,[2,3] Canada,[2] Ceylon, China,[4] Colombia,[2] Costa Rica,[2] Cuba,[2] Czechoslovakia,[2,3] Denmark,[2] Dominican Republic, El Salvador,[2] Ethiopia, Finland, France,[2] Overseas States of the French Community and French Overseas Territories,[2] Federal Republic of Germany,[2] Ghana,[2] Greece,[2] Hungary,[2,3] Iceland, India,[2] Indonesia,[3] Iran,[2] Iraq,[3] Ireland, Israel,[2] Italy,[2] Japan,[2] Jordan,[3] Korea, Kuwait,[3] Laos, Lebanon,[3] Libya,[3] Luxembourg, Federation of Malaya, Mexico,[2] Monaco,[2] Morocco,[3] Nepal, Netherlands,[3] New Zealand,[2] Nicaragua, Norway,[2] Pakistan,[2] Paraguay,[2] Peru,[2] Philippines,[2] Poland,[2,3] Portugal,[2] Portuguese Overseas Provinces,[2] Rumania,[2,3] Saudi Arabia,[3] Spain,[2] Sudan,[3] Sweden,[2] Switzerland,[2] Thailand, Tunisia,[3] Turkey,[2] Ukrainian Soviet Socialist Republic,[2,3] Union of South Africa and Territory of South-West Africa,[2] Union of Soviet Socialist Republics,[3] United Arab Republic,[3] United Kingdom of Great Britain and Northern Ireland including the Channel Islands and Isle of Man,[2,3] Overseas Territories for the international relations of which Government of United Kingdom are responsible, United States,[2,3] Uruguay, Vatican City, Venezuela,[4] Viet-Nam, Yugoslavia,[2] December 21, 1959.

Radio regulations with appendixes and additional protocol. Signed at Geneva December 21, 1959. Enters into force May 1, 1961.

Signatures: Afghanistan, Albania,[2,3] Argentina,[2] Australia, Austria, [2,3,4] Belgium,[3] Belgian Congo and Territory of Ruanda-Urundi,[2] Bolivia, Brazil, British East Africa, Bulgaria,[2] Burma, Byelorussian Soviet Socialist Republic,[3] Cambodia, Canada, Ceylon,[2,4] China,[3] Colombia,[2] Costa Rica, Cuba,[2] Czechoslovakia,[2] Denmark,[3] Dominican Republic, El Salvador, Ethiopia, Finland, France,[3] French Overseas States of the French Community and French Overseas Territories, Federal Republic of Germany,[3] Ghana,[2] Greece,[3] Hungary,[2] Iceland, India,[4] Indonesia,[2,3,4] Iran,[2] Iraq, Ireland, Israel,[2] Italy, Japan,[2] Jordan,[4] Korea,[2] Kuwait, Lebanon, Libya, Luxembourg, Federation of Malaya, Mexico,[2] Monaco, Morocco,[2] Nepal, Netherlands,[3] New Zealand, Nicaragua, Norway,[3] Pakistan,[2] Paraguay, Peru, Philippines, Poland,[2] Portugal,[2] Portuguese Overseas Provinces, Rumania,[2] Saudi Arabia, Spain,[2] Sudan, Sweden,[3] Switzerland,[3] Thailand, Tunisia,[2] Turkey,[2,3] Ukrainian Soviet Socialist Republic,[3] Union of South Africa and Territory of South-West Africa, Union of Soviet Socialist Republics,[3] United Arab Republic,[4] United Kingdom,[3] Overseas Territories for the international relations of which Government of United Kingdom are responsible, United States, Uruguay, Vatican City, Venezuela, Yugoslavia, December 21, 1959.

Trade and Commerce

Declaration on provisional accession of the Swiss Confederation to the General Agreement on Tariffs and Trade. Done at Geneva November 22, 1958. Effective between Switzerland and any contracting party on 30th day following acceptance, by signature or otherwise, on behalf of Switzerland and of that contracting party. Enters into force for the United States April 29, 1960.

Signatures: Austria,[5] Federal Republic of Germany,[5] Italy,[5] Norway, and Switzerland (including Principality of Liechtenstein),[5] November 22, 1958; Federation of Rhodesia and Nyasaland, February 20, 1959; Denmark,[6] February 27, 1959; Sweden,[5] March 2, 1959; France,[5] April 6, 1959; Canada, May 4, 1959; Belgium,[5] Luxembourg,[5] and Netherlands, May 13, 1959; United Kingdom, May 19, 1959; Indonesia, May 26, 1959; Finland, May 29, 1959; Ceylon, May 30, 1959; India, July 2, 1959; Czechoslovakia, July 23, 1959; Peru, November 16, 1959; Uruguay, November 17, 1959; Chile, January 29, 1960; Turkey, February 9, 1960; United States, March 30, 1960.

Ratifications deposited: Sweden, May 29, 1959; Belgium, June 25, 1959; Luxembourg, July 31, 1959; Austria and Switzerland, December 2, 1959; France, January 5, 1960.

Acceptance deposited: Denmark, October 26, 1959.

[2] With reservation.
[3] With declaration.
[4] With statement.
[5] Subject to ratification.
[6] Subject to acceptance.

BILATERAL

Finland

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U.S.C. 1701–1709), with exchange of notes. Signed at Helsinki March 23, 1960. Entered into force March 23, 1960.

Portugal

Agreement for financing certain educational exchange programs. Signed at Lisbon March 19, 1960. Entered into force March 19, 1960.

Rumania

Agreement, and three exchanges of notes, relating to financial questions with respect to settlement of claims. Signed at Washington March 30, 1960. Entered into force March 30, 1960.

Spain

Agreement for establishment and operation of a tracking and communications facility on the Island of Gran Canaria (Project Mercury). Effected by exchange of notes at Madrid March 11 and 18, 1960. Entered into force March 18, 1960.

Switzerland

Agreement confirming the understanding that so long as the provisions of the General Agreement on Tariffs and Trade apply between the United States and Switzerland pursuant to the Declaration of November 22, 1958, or otherwise, the trade agreement of January 9, 1936, as supplemented (49 Stat. 3917; 54 Stat. 2461; TIAS 2811, 3328, 4379), shall not prevent action permitted pursuant to an exception, reservation, or waiver under the General Agreement. Effected by exchange of notes at Washington March 29, 1960. Entered into force March 29, 1960.

Correction

BULLETIN of April 4, 1960, p. 522, footnote 8: Bolivia was incorrectly listed as a member of the Latin American Free Trade Association. The seven members of the association are Argentina, Brazil, Chile, Mexico, Paraguay, Peru, and Uruguay.

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†158	3/30	U.S.–Rumanian trade relations.
†159	3/30	Financial agreement with Rumania (text).
160	3/30	GATT relations with Switzerland.
161	3/30	Greek costumes and embroideries exhibit.
162	3/31	Flood relief to Brazil.
†163	4/1	Renegotiation of certain textile concessions by Canada.
†164	4/1	Visit of President of Colombia (rewrite).
165	4/1	Visit of Yugoslav atomic energy officials.
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†Held for a later issue of the BULLETIN.

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THE MUTUAL SECURITY PROGRAM FISCAL YEAR 1961

A Summary Presentation

Proposed mutual security programs for fiscal year 1961 are outlined in this 125-page pamphlet prepared jointly by the Department of State, Department of Defense, International Cooperation Administration, and the Development Loan Fund. The booklet is a summary of the annual request for funds submitted to Congress for its consideration and includes the text of the President's message to Congress on the program.

Part I of the pamphlet reviews proposals for major aspects of the program, including military assistance, defense support, special assistance, the Development Loan Fund, technical cooperation, the contingency fund, and other programs. Part II discusses the program by regions. Part III deals with such related matters as free-world cooperation in assisting less developed areas, the surplus agricultural commodity program, stimulation of private investment in the less developed areas, and the impact of the Mutual Security Program on the U.S. economy.

The pamphlet is illustrated with charts, graphs, and photographs. Copies may be purchased from the Superintendent of Documents, U.S. Government Printing Office, for 55 cents each.

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THE DEPARTMENT OF STATE

Bulletin

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The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Year of Progress Toward Peace

Address by Secretary Herter [1]

Radio and television serve the United States well in informing the American people of the objectives and development of our foreign policy. We also make very extensive use of radio and TV in our effort to increase understanding of this country on the part of peoples abroad. The consistent high level of cooperation which has been given us by American commercial broadcasters is most gratifying.

The television industry overseas is now undergoing the same great expansion it saw in this country 5 or 6 years ago. The United States Information Agency is equipping itself to make full use of the TV medium to increase world understanding of this country. I have every confidence that we will enjoy from the television industry the same generous and useful cooperation which has been extended by the radio broadcasters, so that the world can see us more clearly as we are.

We also know of the fine cooperation that the broadcasters have given and continue to give to private organizations such as the Crusade for Freedom.

Here also I want to record with thanks the generous support we always enjoyed from the late Harold Fellows, your president. His ability was matched by his patriotic willingness to serve, and we share your sorrow at his loss.

It is now almost a year since I took office as Secretary of State. Therefore I should like to review the main trends of American foreign policy and to express some thoughts on what lies ahead.

The primary purpose of United States policy is to safeguard the freedom and security of the American people. To do this in today's world we must solve a problem that mankind has not yet been able to master: the problem of peaceful change. We must prevent the use of military force to accomplish change, and devise means of achieving needed change in peaceful ways.

The United States seeks to reduce the possibility of violent action, and to assure that needed adjustments will be peacefully made, in five principal ways:

One: We strengthen the collective security arrangements that deter aggression.

Two: We strive for agreement on arms control measures which would reduce the risk of war.

Three: We are negotiating with the Soviet Union to promote the settlement of political issues which divide us.

Four: We are strengthening our program for helping the less developed countries to achieve needed progress.

And five: We support the United Nations in efforts to promote the orderly solution of problems, thus reducing the chance of conflict.

Collective Security

If the use of force was deterred in Europe last year over the question of Berlin, and in the Far East in connection with Formosa and the Kingdom of Laos, it was in part because of free-world defensive might and a clear evidence of readiness to apply that might if necessary. This strength has been confirmed and increased by recent steps including the signing of a new security treaty between the United States and Japan,[2] improved

[1] Made at the 38th annual convention of the National Association of Broadcasters at Chicago, Ill., on Apr. 4 (press release 167).

[2] For text, see BULLETIN of Feb. 8, 1960, p. 184.

coordination and cooperation in SEATO [Southeast Asia Treaty Organization] and CENTO [Central Treaty Organization], and the strengthening of the inter-American system through the Foreign Ministers Meeting in Santiago.[3]

The first bulwark created in our system of collective security was the North Atlantic Alliance, which celebrates its 11th anniversary today.

In dealing with such major issues as disarmament, the future of Germany, and the freedom of Berlin, the cohesion of the North Atlantic Alliance has been strengthened and made manifest through consultation and cooperation in the North Atlantic Council. Never before in history has there been in time of peace a system for political consultation among sovereign nations so successful as the one we have in NATO today.

Even with the increasing contribution of the alliance to the development of new habits of cooperation among like-minded peoples, the military strength of NATO remains the core of its existence, essential to the Western negotiating position.

This military strength continues to grow. German defensive rearmament is proceeding satisfactorily and is devoted entirely to the obligations for collective self-defense assumed by the Federal Republic in NATO. A number of European NATO countries have decided or are planning to increase their defense budgets. The presence of American forces on the continent of Europe, alongside those of the United Kingdom and Canada, is visible evidence of our recognition that American security is inseparable from the security of Western Europe. And great progress is being made in equipping the American and European forces of the NATO shield with the modern weapons which will be essential to the security of the treaty area until dependable, controlled disarmament has been achieved.

But even though progress has been substantial, important tasks remain ahead. The ground, sea, and air forces of NATO require still further strengthening. We and our allies seek also to promote further growth within NATO of cooperation and consultation vital to the continued well-being of the Atlantic Community and essential in this age of interdependence.

[3] For background, see *ibid.*, Aug. 31, 1959, p. 299, and Sept. 7, 1959, p. 342.

The United States will continue to move forward with its NATO partners in meeting both military and nonmilitary objectives. It was my privilege to propose at the North Atlantic Council Ministerial Meeting last December[4] a program of long-range NATO planning for the period of the 1960's. The Council adopted that proposal, and this country will work closely with the other members in promoting its success.

As the world enters on an era when the threat of overt aggression may appear to recede, there might be a temptation to take NATO and other collective security arrangements for granted, to assume that the priority of policy lies elsewhere. I cannot overemphasize that in future years as in the past—until controlled general disarmament is achieved and an international peace force established—the military strength of NATO and our other collective arrangements will remain a cornerstone of this country's policy, an essential foundation of a just peace.

Arms Control

While working to deter aggression through collective security, the United States also seeks to reduce the risk of war and the burden of armaments expenditures through safeguarded arms control.

In the short run, agreements to control arms could reduce the chance that war would be caused by miscalculation. They could also help to prevent the spread of nuclear weapons into irresponsible hands.

In the long run, the Western nations hope gradually to obtain the universal adoption of a more adequate body of international law, and machinery for its enforcement. Within this framework it would then be possible to undertake more general disarmament.

To fulfill our short-run goal the United States and the United Kingdom have over the past 17 months negotiated steadily with the Soviet Union for a discontinuance of nuclear weapons tests. Such a test suspension would not only inhibit the spread of nuclear weapons and allay worldwide concern over fallout but would set an important control precedent for the vaster problem of disarmament.

[4] For texts of communiques issued by the North Atlantic Council, see *ibid.*, Jan. 4, 1960, p. 3, and Jan. 11, 1960, p. 44.

Significant progress has now been achieved in bringing the Soviet and Western positions on testing closer together. Last week President Eisenhower and Prime Minister Macmillan made a proposal[5] which opens the possibility of a great forward stride toward the desired objective of a controlled, comprehensive cessation of all nuclear weapons tests. If this proposal is accepted, it would mean that a safeguarded treaty could be reached which would halt tests in the atmosphere, in the oceans, and in the higher altitudes, and under ground for large explosions, and bring into effect a temporary voluntary moratorium on small tests which we believe cannot now be reliably detected and identified.

By this joint response the United States and the United Kingdom have brought within reach an agreement which could well be a historic turning point in the quest for the agreed arms control measures which would lead to a far greater degree of international peace and security.

Now it is up to the Soviet Union. It is their move.

The developments in the Geneva test-ban negotiations are of extreme importance; but our larger objective is general, controlled arms limitations.

Last month the Allied Powers presented to the Ten-Nation Disarmament Conference a three-phase safeguarded arms reduction program which would lead to the goal of general disarmament.[6] It is our conviction that this program offers a feasible, practical approach, whereas the broad and vague provisions of the Soviet proposal have not so far demonstrated their practicality.

The first and second phases of the Western program include proposals which would promote our short-run goal of reducing the risk of unintended war. Proposals in this phase include advance notification of the launching of objects into outer space and other safeguards against surprise attack. We also propose cutoff of production of fissionable materials for weapons purposes, which would check the spread of nuclear weapons.

The third phase of the Western program would fulfill our ultimate goal of general disarmament. It provides for very drastic reductions in armed forces and for a parallel buildup of machinery for effective enforcement of international law.

[5] For text, see *ibid.*, Apr. 18, 1960, p. 587.

[6] For text, see *ibid.*, Apr. 4, 1960, p. 511.

Progress toward these goals will require an increasing readiness on the part of the Soviet leadership to accept the practical step essential to effective arms limitation.

Nuclear destruction is no respecter of nationality. There is no ideological coloration to survival. The hunger of peoples to devote their resources to economic development and social advancement, rather than the production of arms, is the monopoly of neither side. Genuine progress toward safeguarded arms control would promote the best interests of both sides, without sacrifice of position or principle by either.

Reaching any sort of agreement will not be easy. But it is necessary, more necessary each day. And as Secretary Dulles used to say, "We must accept as our working hypothesis that what is necessary is possible."

Political Negotiation

We are earnestly seeking to reduce the risk of war by negotiating with the Soviet Union about political disputes as well as arms control.

Our immediate goal in these continuing negotiations is to clarify the positions of both sides and to reduce the danger of conflict over the political issues that divide us.

Our long-term objective is to lay the basis for eventual resolution of these issues.

Clearly, one of the key issues before us is the problem of the division of Germany. Not only does this unnatural division represent a grave injustice to the German people, but, what is equally serious, the continued division of Germany, if not resolved, will inevitably result in jeopardizing the peace of the world.

In recent months Mr. Khrushchev has repeatedly suggested in public statements that, if the Western Powers do not agree to settle the German problem on his terms, he may proceed unilaterally to conclude a separate treaty with the East German regime. While he has been careful not to be too precise in his statements on this subject, the repetition of this threat cannot help but complicate the situation and affect adversely the international atmosphere.

Mr. Khrushchev has also said recently in reference to Asia that "every people has the right of self-determination." But it is clear from the Soviet record with respect to Germany that Mr. Khrushchev is not prepared to see this principle

applied in the case of the 17 million people under Communist control in East Berlin and East Germany.

The Western Powers, by contrast, through a long series of postwar negotiations, have insisted that the principle of self-determination be honored. More specifically, we believe that reunification should be achieved on the basis of free plebiscites and that a final peace settlement should be concluded with the German government formed on the basis of such plebiscites.

The Berlin question can also be expected to figure prominently in the forthcoming Paris Heads of Government discussions. The division of Berlin is but a reflection of the larger problem of the division of Germany.

In the coming summit conference the Western Powers are determined to protect the freedom and security of the people of West Berlin. We made this position clear at the Foreign Ministers Conference at Geneva.[7] President Eisenhower reaffirmed it at Camp David.[8] We and our allies agreed as recently as the Heads of Government meeting at Paris in December[9] to continue to stand firm on West Berlin. In thus making sure that the Soviet leaders do not misjudge our firmness, we reduce the chances of rash action which would greatly increase tensions.

While reaffirming our fundamental rights and responsibilities with respect to Berlin, we are sincerely willing to enter into negotiations to solve this problem in the context of the German problem as a whole.

While I am discussing the German problem I should like to take this opportunity to say a few words about the new Germany—the Federal Republic of Germany. I have noted in recent months many hostile attacks of Soviet origin, some from Mr. Khrushchev himself, labeling the Government of the Federal Republic as "militaristic." These charges are completely without foundation. They are clearly designed not only to discredit Chancellor Adenauer's government but also to sow the seeds of suspicion and disunity among the members of the free-world alliance. During the first decade of its existence the Federal Republic, under the constructive leadership of Chancellor Adenauer, has reestablished in Germany a democratic order dedicated to the principles of freedom and justice. Within the framework of such arrangements as the European Community and NATO, both of which have received unstinting German support, the Federal Republic has effectively contributed to the development of political and economic stability in Western Europe and to the maintenance of free-world security. It has proved itself in every way a worthy and respected ally.

At the summit meeting next month in Paris the West will continue to make clear the free world's determination to defend essential rights. At the same time it will continue to seek to explore all avenues, particularly arms control, which would reduce the risk of war.

We can hardly move forward confidently in negotiating new arms control agreements with the Soviet Union, however, if our existing agreements with them about Berlin are meanwhile being violated or threatened with violations. There is a clear relation between these two crucial issues.

Three Western Foreign Ministers meetings at Washington, at Istanbul, and at Paris will precede the summit conference, providing opportunity for reviewing the preparatory work undertaken in working groups and for consulting and coordinating views. On the basis of these preparations we and our allies will work at the summit to reduce the degree of misunderstanding between the Soviet Union and ourselves and the chance of Soviet miscalculation of our strength or our intentions. We will strive to make progress toward practical working agreements in areas of greatest danger. And we will explore carefully the possibility of future negotiation.

These, of course, are limited purposes. If anyone looks for dramatic achievements at the summit, he may be disappointed. But if the Western allies stand firm by their beliefs and commitments, while they pursue steadily the aim of preventing the East-West contest from exploding into war, then we can and we do hope for progress.

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[7] For a statement by Secretary Herter at the closing session on Aug. 5, together with texts of a Four Power communique and a declaration on disarmament, see *ibid.*, Aug. 24, 1959, p. 265.

[8] For text of a joint communique issued at Camp David following talks between President Eisenhower and Nikita S. Khrushchev, Chairman of the Council of Ministers of the U.S.S.R., see *ibid.*, Oct. 12, 1959, p. 499.

[9] *Ibid.*, Jan. 11, 1960, p. 43.

Less Developed Areas

Efforts to deter the use of force through collective security arrangements and to temper unresolved issues through negotiation will not alone insure peace. We must seek also to promote constructive and peaceful change in areas where it is needed.

If the countries of Africa and Asia cannot attain the progress they seek through orderly methods, then despair will surely generate the seeds of conflict. It is in our vital interest that they should grow in freedom and gain in strength.

This country's Mutual Security Program helps them do just that. This program requires each year less than 1 percent of America's gross national product. Yet without it the great Afro-Asian arc, with its vast populations and resources, could perhaps not be saved from the announced intentions of Mr. Khrushchev and Mr. Mao Tse-tung to conquer the world by all means short of war.

Increasingly we are seeking to provide funds for economic development not as gifts but as loans. The President's current request to the Congress for $700 million in new capital for the Development Loan Fund [10] is an important step to this end. These resources are needed if the Fund is to play its part as a key instrument of United States development financing abroad.

In the period ahead the United States will seek increasingly to concentrate our development financing in countries which have shown the capacity for determined, disciplined self-help. Thus concentrating our efforts demonstrates to all the growing nations that rapid growth *can* be achieved under conditions of freedom. It also provides incentive for those nations which seek outside help to demonstrate that they are willing and ready to help themselves. And it forwards the time when the nations we assist will, in turn, be able to provide help to their neighbors.

The industrialized nations of Western Europe and Japan, because of the improvement in their economic condition which our aid helped them bring about, are now increasingly able and willing to help the developing nations. This is a major demonstration of the present and future dividends of past economic assistance.

The energies of private enterprise should increasingly be mobilized for the development task. Your Government continually searches for means by which this great resource can make its full contribution to free-world growth, stability, and strength.

In addition to offering assistance, this country seeks to build a bridge of understanding to the emerging nations. The most important and dramatic steps of recent years to this end have been the good-will trips of President Eisenhower to Asia and Latin America.[11] These trips have dramatized and increased the vast reservoir of good will toward the United States which exists in those areas. They have released a welcome outpouring of latent friendship toward the United States.

The United States is making particular efforts to build closer relations with the new African nations. The welfare and security of these peoples is of very great concern to us, as they assume the responsibilities of independence. It is our hope that they can devise regional arrangements to insure the peaceful settlement of disputes and to avoid a wasteful and dangerous arms race. This would indeed be a forward step toward insuring peaceful change.

Progress Toward World Order

Great demands have been made, and will continue to be made, upon the United States by the recurring stresses of a world of change. Necessary as are the contributions of individual nations, however, there is no substitute for the work of international organizations if this process of change is to remain within peaceful limits. The contributions of the United Nations and its specialized agencies, as well as the Organization of American States and the Colombo Plan, are also needed.

Great demands have been made on the United Nations, and increasingly it has met them. In the process it has grown. The authority of the

[10] For text, see *ibid.*, Mar. 7, 1960, p. 369; for statements by Secretary Herter, Under Secretary Dillon, and International Cooperation Administration Director James W. Riddleberger, see *ibid.*, Apr. 11, 1960, p. 566.

[11] President Eisenhower visited 11 countries in Europe, the Middle East, South Asia, and Africa Dec. 3–22; for background, see *ibid.*, Dec. 28, 1959, p. 931, and Jan. 11, 1960, p. 46. On Mar. 7 he returned from a 2-week trip to 4 countries in Latin America; for background, see *ibid.*, Mar. 28, 1960, p. 471.

office of the Secretary-General has been strengthened. The concept of the United Nations Emergency Force has been tested successfully. In various crises what might be described as the "fire-fighting" equipment of the United Nations has undergone organic growth through meeting the demands made upon it. In addition the General Assembly has continued to serve as a town meeting—a safety valve—for the world.

The United States will assist continuing progress along these lines. We will support Secretary-General Hammarskjold's efforts to create standby arrangements for United Nations forces or other forms of United Nations presence which may be needed in troubled areas. We will consult about such measures at the next session of the United Nations.

Our proposal to the Ten-Nation Disarmament Conference, that the gradual development of a more adequate body and machinery of international law and enforcement should accompany, and thereby make possible, a general reduction in world armaments, reflects our hopes for and our faith in the United Nations.

The proposal for an international police force is a major difference between our disarmament proposal and that of the Soviet Union. Small nations in particular have a vital interest in this difference. General disarmament as proposed by the Soviet Union would leave these nations even more defenseless than before, in the face of the substantial forces that their larger neighbors would be allowed to retain for internal security.

The development of an international peace force is provided by the United Nations Charter. All the nations that are members of the United Nations subscribed to this idea when they assumed the obligations of membership. The Soviet Union, however, by repeated use of the veto, has prevented any progress toward its realization. We shall continue to press for measures which will make this part of the charter a living reality.

The Future

I do not claim that the performance of the United States in all these fields of foreign policy has necessarily been perfect. Yet I do assert that we have made substantial—I say significant—progress in our main lines of effort.

Formidable obstacles remain. But the efforts are well launched; the free nations know where they are going. And we have every intention of continuing to move toward our goal of peace with justice and progress.

The outcome will depend on the strength and unity of the free world. The more unmistakable our strength, moral and physical, and the more pronounced our unity, national and international, the less likely there will be serious danger of war.

As long as the military and economic elements of our strength are equal to our task—and they are and will continue to be—the rest will depend on our courage, our determination, our dedication to the values and purposes of free men.

We might do well to recall the words of a great American, Theodore Roosevelt, who said more than half a century ago: "The Twentieth Century looms before us big with the fate of many nations. If we stand idly by . . . if we shrink from the hard contests which men must win at hazard of their lives and the risk of all that they hold dear, then the bolder and stronger peoples will win . . . for themselves the domination of the world."

I know that our will and courage will meet the tests of the coming months, and those that lie beyond.

King and Queen of Nepal To Visit United States

The Department of State announced on April 4 (press release 169) that arrangements had been completed for the visit of His Majesty Mahendra Bir Bikram Shah Deva, King of Nepal, who will visit the United States this spring at the invitation of President Eisenhower. His Majesty will be accompanied by Her Majesty Ratna Rajya Lakshmi Shah, Queen of Nepal.

Their Majesties and party will arrive at Washington on April 27 and will remain in the Capital until April 30, when they will leave for a month's tour of the United States that will include visits to Fort Bragg, N.C., New York City, the Tennessee Valley Authority, Rochester, Minn., Salem and Eugene, Oreg., San Francisco, Monterey, and Los Angeles, Calif., Yosemite National Park, the Hoover Dam, the Grand Canyon, Albuquerque, N. Mex., Dallas, Tex., Miami, Fla., and Detroit, Mich.

Secretary Herter's News Conference of April 8

Press release 179 dated April 8

Secretary Herter: I have no preliminary statement to make.

Q. Mr. Secretary, you will be meeting here next week with the foreign ministers of some of the other Western countries on preparations for the summit conference. Could you tell us at this time what you expect will be accomplished at these meetings next week here?

A. Yes. We are having a number of separate meetings. We are having one meeting of the British and French and ourselves, and then we are having a meeting of the British and the French and the Germans, and then a meeting of the five foreign ministers of the countries that are represented at the Disarmament Committee, and then we are having a meeting on the following day of the three and Mr. Spaak [Paul-Henri Spaak, Secretary General of the North Atlantic Treaty Organization]. And in those meetings we will be reviewing the work of the preparatory commissions or the working groups that have been studying possible questions that will arise at the summit meeting. This is only one of a series of meetings with the foreign ministers. We expect another one at Istanbul at the time of the NATO meeting early in May and another one probably just preceding the summit meeting itself in Paris in the middle of May.

Q. Mr. Secretary, are you confident that at this series of meetings held in Washington you will reach a united front among the allies on the questions of disarmament, Berlin, and the future of Germany?

A. I can't anticipate whether we will reach agreement. I think that our positions will become very much better known to each other. I am hopeful that we will reach agreement, but we are providing for these additional meetings so that if there is more work to be done by the working parties, if there are further questions we would want to study with our principals, we will have the succeeding meetings in the expectation that our positions will have been clarified and united before the summit meeting.

Q. Mr. Secretary, has the preparatory work gone far enough now so that it is possible to say what subject will have priority at the summit conference?

A. No. It is hard to say what subjects will have priority. From the preliminary talks as indicated by the De Gaulle-Khrushchev talks, it looks as though disarmament might have the first priority. But we are anticipating, of course, that the German problem and the related problem of Berlin will be raised at a given time. Possibly some phases of the nuclear testing may be raised at the summit conference. And we just don't know what other questions may come up.

Q. Mr. Secretary, you have often said that you don't have high hopes for the summit conference on the Western side. Do you have any idea what the Russians hope to accomplish at the summit conference?

A. No. That would be purely speculation. I don't know.

Q. Mr. Secretary, it has been attributed to you the thought of proposing to the Russians that we agree to the separation of Germany if it is confirmed by a plebiscite of the East Germans. Is this an idea that you have put forward?

A. Well, I don't think I have ever put it forward in exactly those terms. I think that I have on numerous occasions expressed my personal view that the right of self-determination is an inherent right, that the question of the future of

East Germany as well as of Berlin should be in accord with the determination made by the people themselves in properly supervised elections.

Nuclear Testing

Q. Mr. Secretary, for some time it has been the position of the United States that we would not accept a ban on nuclear testing in areas where we could not control or supervise. As recently as February 11 our spokesman at Geneva, according to this release today by the Department,[1] said that the United States cannot agree to a prohibition of testing in areas where controls cannot be effectively maintained. A consequence of the visit of the Prime Minister of Great Britain[2] is that we are now on record as being willing to accept a temporary moratorium on testing in an area that we cannot control or inspect. Could you explain this change in position?

A. Yes. There is no change in position. The treaty itself on which we have been working now for some 17 months will provide a ban—which means for all time—a ban on all forms of testing in the air, under water, and under ground where adequate inspection could be performed. Having found that in the lower reaches for small explosions underground instrumentation is not sufficiently sensitive at the present time to guarantee that that type of test can be detected, the present proposal that we have made is that we would have a temporary moratorium while research was being done in order to try to improve the instrumentation so that eventually the inspection could be made on all types of underground tests.

Q. Mr. Secretary, at his press conference last week the President suggested that at Geneva it might be possible to arrive at agreement on the number of on-site inspections both above and below the threshold as a political determination. Previously you have always insisted that this must be on the basis of a scientific determination. Does this represent a change in policy?

A. No, it doesn't represent a change in policy either. When you speak of a political determination, it all depends on how your mind has been working in formulating that political determination. We have always taken the position that the number of on-site inspections should be related to the probable number of unidentifiable events that took place within a given range. Any political decision we might make would still be made with that in mind. The Russians on the other hand have taken the position that this is a purely arbitrary political decision unrelated to the scientific fact. We have never agreed to that. You may say that it is a political decision if the decision as to a difference between an x number and an x other number is made by individuals at the summit. But it would be, as far as we are concerned, a decision motivated by a relationship between the number of inspections and the number of unidentifiable events. I might say that Mr. [Semyon] Tsarapkin, speaking on behalf of the Soviets in Geneva, has gone so far as to say that this decision is one that he himself cannot make. It must be made at a higher level.

Q. Mr. Secretary, on that point, beneath the threshold of 4.75, our scientists estimate that there would be something like 5,000 to 28,000 events per year. What sort of relationship do we see between that number of events which we might have to inspect and the number of events on which on-site inspections might be necessary below the threshold?

A. We have not made any fixed determination on that. Again a great deal depends on the sensitivity of the instrumentation. It is possible that with further experimentation the scientists will be able to find a real distinction in the signals accepted by seismic machines which would indicate a variation between the manmade explosion and the natural earthquake. If that should happen, and we think that it probably can happen in the higher ranges at least, then the number of suspicious events would be reduced very considerably beyond the number of total earthquakes or tremors which would take place around the world.

Q. Which higher levels, sir, did you mean? Below the threshold or above the threshold?

A. Above the threshold. Above the threshold there are far fewer events than there would be below.

Q. Mr. Secretary, we understand there has been

[1] On Apr. 8 the Department of State released as an unnumbered press release various materials summarizing statements and subsequent clarifications of the U.S. proposal of Feb. 11 and the Soviet proposal of Mar. 19 at the Geneva Conference on the Discontinuance of Nuclear Weapons Tests.

[2] BULLETIN of Apr. 18, 1960, p. 587.

no decision as yet as to how many or what a minimum number of inspections would be?

A. No.

Q. And you are going into the summit conference without such a decision?

A. There is a direct relation between that and the number of inspection stations within the country itself that are set up, how far apart they are, whether in addition to those there are unmanned stations that extend the number of seismic machines to closer and closer intervals. In other words, there are a number of factors still to be determined in connection with that.

Q. Mr. Secretary, there have been reports in the past few days that General de Gaulle has told the British that Premier Khrushchev has made it clear that he does not intend to press the Berlin picture to the point of crisis at the summit conference. Have we been given any such fill-in, and do you have any reason for believing that this might be so?

A. No, we have no specific information on that point.

Q. Mr. Secretary, in relation to that, in your speech the other day in Chicago [3] *you did touch on another aspect of it. Would you feel that a major clash at the summit on the Berlin issue would probably preclude any progress on the nuclear test ban?*

A. I think it might prejudice further progress in that direction very materially.

Question of Sovereignty in Outer Space

Q. Mr. Secretary, on another aspect, there is a satellite whirling around the globe now taking pictures of the earth. Is it a fact that as of now in the period since the first satellites were launched there has been no nation in the world which has made any diplomatic protests about a violation of sovereignty by these instruments? And, if that is so, do you consider that the fact has now been established that there is no sovereignty in the area of space?

A. You are quite correct in saying that there has been no protest by any nation that this is a violation of its upper reaches, that sovereignty carries on ad infinitum up to the heavens somewhere. That is quite correct. The whole question of law governing outer space has been given quite a little consideration. We are hoping that someday there will be, and there will probably have to be, specific international laws adopted by the nations in order to at least regularize the traffic that may appear in outer space, but this will probably be a slow-moving thing.

Q. Well, can I ask a second question about this? Now that we have gotten into the picturetaking business, which has obvious possible military intelligence possibilities, once it has been refined, which one assumes it will be, is it our position that we have a right to launch satellites that could take any kind of picture that we are technically capable of taking over any country and that contrariwise that any country has that right over our territory?

A. I don't think that that has been determined as an issue at all. As I understand the present satellite, it was launched for meteorological purposes, and that that was its sole objective, and that all of its findings are being made available to the scientific world, and that it may be a very useful thing from the point of view of future meteorological studies and weather predictions and so on. With respect to the taking of photographs all over the world, I don't think that that has been a matter of international discussion in any form as yet.

Q. Mr. Secretary, on that same point, would you as Secretary of State have any objection to put forward in the National Security Council, for example, on this matter of the kind of activity that satellites were engaged in?

A. I would doubt it.

Q. Mr. Secretary, there has been a lot of discussion back and forth across the Atlantic recently about what went on between you, Mr. Dillon, and Mr. Macmillan on the question of Sixes and Sevens.[4] *Can you fill us in?*

A. No. I think that Mr. Macmillan has done that pretty adequately when he got back to Great Britain. I think that he felt that some of the

[3] See p. 635.

[4] The European Economic Community, the "Inner Six," is composed of Belgium, France, Germany, Italy, Luxembourg, and the Netherlands. The European Free Trade Association, the "Outer Seven," is composed of Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom.

alleged conversations that had taken place were not accurately reported, and I think he has straightened out the record in that respect. I think that is sufficient.

Q. Mr. Secretary, to go back to the picture-taking satellite, the space agency today announced that one of the cameras failed, that apparently it didn't take pictures over the Iron Curtain countries but apparently it did take pictures over the free world. Do you have any verification of that?

A. No. I have no verification of that. I think the only pictures that I have seen—and I saw them before they were published—were the same ones that were published.

Q. Mr. Secretary, another question on that, has the State Department asked the space agency or any other agency of the Government not to release any pictures on any diplomatic or security grounds?

A. No, I don't think we have made any such request.

Q. Mr. Secretary, have you any comment upon the Polish-Cuban aid agreement that was announced last Friday?

A. Yes, to this extent. There were reports that that agreement included the furnishing to the Cubans of some material of war. When the Deputy Prime Minister came in to see me 2 days ago,[5] I inquired about that and he gave me every assurance—and I think he made a public statement afterward—to the effect that nothing in that trade agreement could be construed as conveying to the Cubans anything of a warlike nature.

Q. Mr. Secretary, when Ambassador [Henry Cabot] Lodge voted in the United Nations to deplore the actions of South Africa,[6] he made the distinction quite carefully that in South Africa apartheid is government policy, whereas the national policy of the United States was nothing like that. However, if some other government should not choose to see it quite that way and ask for a discussion in the United Nations, in the Security Council perhaps, of any difficulties of that sort in the United States, would we veto it?

A. Well, as you know, in connection with that type of question, we have interpreted the charter of the United Nations very liberally and we have voted to inscribe certain matters for discussion on the ground that discussion would be helpful rather than harmful, matters that other nations have objected to as being of purely domestic concern. That has been a matter of interpretation and of tactics. Obviously, if something occurred in this country that endangered the peace of the world, as this resolution was drafted to convey that meaning, or that appeared to be a deliberate violation by our Government of human rights, I think we would have to—we couldn't protest if it were inscribed. But I think that Mr. Lodge made it very clear that insofar as the United States was concerned, the Government was making every effort and had continuously made every effort to respect human rights, that our whole system of government was based on that, that where we had had some difficulty was with law, and with enforcement of law, but that the attitude of the Government was entirely different from that of the *apartheid*, which deliberately promoted a complete segregation of the races.

Q. Sir, following up that question, have you discussed this with Senator [J. W.] Fulbright, and are these his views as well?

A. No, I haven't discussed it with Senator Fulbright.

Q. Mr. Secretary, could you give us an appraisal of your visit with the Colombian President this week?

A. Well, I think that there will be quite a lengthy communique given out at the White House, both by the White House and by himself, this afternoon. It has been a very pleasant relationship, a very fruitful one. He is a man of very great distinction, one highly respected as a statesman throughout the Latin American world, and our conversations I think have been very beneficial.

The Cuban Question

Q. Mr. Secretary, a couple of weeks ago in an interview with Senator [Leverett] Saltonstall in response to a question, you said that it would not be correct, you thought, to describe the Cuban Government as Communist but that it did seem that some of the high officials were Communist sympathizers. I am wondering if you would care to elaborate on that in any way and if you could

[5] BULLETIN of Apr. 11, 1960, p. 557.

[6] See p. 667.

give us another progress report on our relations with Cuba. Are they better, worse, or what?

A. Well, if I had to give you a progress report, I couldn't honestly say that they were better, since Ambassador [Philip W.] Bonsal's return. With regard to the Communist side of the picture, there is one very disturbing development that is taking place in Cuba and that is that anticommunism is now being made synonymous with antirevolution, and that those who express concern about Communist influence are now being accused of being antirevolution and anti-Castro. And this is obviously an effort to stop any anti-Communist criticism that might arise within the country itself.

Q. Mr. Secretary, did I understand you to say before that we might be considering a proposal to supplement the 180-station network for controlling a nuclear test ban with unmanned stations? Is that a possibility before the summit?

A. That is a possibility. As you may recall, in one of the scientific reports that we received it was indicated that this is something that ought to be developed. We are studying the matter very carefully now. We did reach agreement with the Russians before that the control commission would have authority to install the most up-to-date equipment and perfect it as science made such perfection possible. We are hopeful that we may know more about this particular method of extending the control system in the very near future.

Q. Mr. Secretary, on the Cuban question again, there was a statement by the Department some time back[7] *referring to Cuban statements that they might withdraw or renounce, rather, the Rio Pact and the other resolution. Have we taken any action on this? This was under study. What is our position now on this?*

A. This is a matter which is still under study. It's under study not only by ourselves, but I think that all the Latin American countries are very much interested in that particular statement. There has been an allegation that Prime Minister Fidel Castro was misquoted on that. But as far as we know, the original statement still stands, and as it was relayed to us, it was relayed in the original language in exactly the form in which it was delivered, and that made it very clear that he at least considered that the Rio Pact was not binding upon him and upon Cuba because the revolutionary government had not signed it. This, of course, was a very sweeping statement which might well imply that any treaty of any kind with regard to Cuba was not binding because it had not been signed by the revolutionary government.

Q. Mr. Secretary, on that same point, the Cuban radio said 2 days ago that Premier Castro had also denounced the Caracas Declaration.[8] *Is there any intention of the United States or other members of the Organization of American States in bringing this to the attention of the OAS?*

A. I think it is being considered by the OAS. The Caracas resolution, of course, was very different from the Rio Pact. The Caracas resolution was merely one in which the countries bound themselves to consult in the event of the intervention of international communism in any of their countries. The Rio Treaty goes much farther than that in that the Rio Treaty is the treaty which provides that an attack on one is an attack on all. That is the treaty of alliance among all the Latin American states.

Q. But in view of what you have just said, Mr. Secretary, about the significance of their saying that to be anti-Communist is to be antirevolution, do we think that it is significant that

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[7] On Mar. 30 Lincoln White, Director of the Office of News, read to news correspondents the following statement:

"Confirmed reports indicate that in a television interview on March 28 the Prime Minister of Cuba, Dr. Fidel Castro, stated and repeated for emphasis that his government does not regard itself as obligated by the Pact of Rio de Janeiro because the 'Revolution did not sign that Pact.' It would be difficult to overstate the amazement and concern with which we view this statement. We believe this concern will be shared by all other members of the Organization of American States. The solemn obligations of a treaty fully accepted by all members of the inter-American community are not so easily avoided. These obligations as well as the advantages of protection which all parties to the treaty, including Cuba, enjoy are an integral part of one of the basic instruments of the inter-American system. It should also be pointed out that the attitude toward these obligations expressed by the Prime Minister on March 28 is contrary to the assurances given by the Cuban Government upon its assumption of power in 1959 and by the Prime Minister himself when he visited the United States in April of last year."

[8] For text, see BULLETIN of Apr. 26, 1954, p. 638.

they should have denounced the Caracas Declaration as well?

A. Yes, I think it undoubtedly is. Yet you run into these contradictory statements; for example, Raúl Castro made a statement in regard to Guantanamo, saying that they have a treaty with the United States and intend to respect the treaty.

Q. Mr. Secretary, you said that one of the disturbing developments in Cuba was that anticommunism was being made synonymous with the antirevolution and anti-Castroism. Who is doing this? Is this being done with the active support and aid of some of the Cuban Government officials?

A. Yes, I think very definitely.

Q. Sir, since Ambassador Bonsal has returned to Habana, has he seen Prime Minister Castro and does he have any intention of seeking such an interview?

A. I think that he has been very hampered in moving in that the Minister of Foreign Affairs has been quite ill and he has had quite great difficulty in seeing him. Castro himself, I don't think he has seen him.

Q. Has he seen the Minister of Foreign Affairs, sir?

A. Yes, he saw him once only but only for a short time. The Minister of Foreign Affairs has been ill, and quite ill. I don't think it's a diplomatic illness.

Q. He does intend to seek an interview with Castro, doesn't he?

A. I don't know at what stage of the game. I think normally he would be conducting his affairs with the Minister of Foreign Affairs.

Disarmament Conference

Q. Mr. Secretary, do you have any preliminary comments on the proposal made in the 10-nation talks in Geneva today for another form of 4-year plan for complete and total disarmament? And if it is too early for you to comment on that, sir, do you have any general views on those 10-nation talks?

A. I know very little about this new proposal. I must say on the first reading of it I was quite struck by the statement—to whom it should be attributed I don't know—but this was the same salad with more Russian dressing. But it appears to be the original proposal just put in different words, and as far as I can make out this is a semantic argument that is still going on.

Q. Well, Mr. Secretary, on the test-ban issue again, at the time you finished the talks with the British here there was some uncertainty about whether the President could commit himself beyond the end of his term on this unilateral moratorium. Since then all, or practically all, of the Democratic presidential candidates have indicated a willingness to have such a commitment made, and one assumes that the Vice President is agreeable. Does this mean that there is now a possibility that the United States might consider offering a longer period?

A. Well, there again just what form that might take I can't say. I think that the President's limitations still exist. I think that what has been said by these candidates might well lead one to believe that they would be willing to carry on for a longer period of time while the scientific research is being done. But from the point of view of his legal ability to bind the United States for a longer period of time, I think that still remains within his own term.

Q. Do you know whether the President got the ruling that he mentioned last week he was going to ask for from the Attorney General?

A. No, I can't say.

Q. Mr. Secretary, Communist China has been making a number of very strong statements to the effect that the United States will never abandon war and that on the part of the Socialist or Communist countries they must increase their struggle for what they call peace. This line is in sharp contrast to the talk of Premier Khrushchev. What allowances or what preparations are you making for this kind of situation in preparing for the summit and for your disarmament talks?

A. Well, I think, as I made clear before, if with the Russians we can reach a certain point with regard to disarmament or with regard to the cessation of nuclear testing, that at some given point the adherence of the Chinese to a similar self-denying ordinance or treaty will become a very important matter. The Chinese at the present time are taking a very different line from the

point of view of relaxation of tensions, if you want to call it that, than are the Russians. Whether this is a deliberate play between the two of them or whether they are actually taking different lines, it's very difficult to tell.

Q. Mr. Secretary, do you think that a Berlin plebiscite on the lines of the proposal of Chancellor Adenauer would serve a good purpose at the present moment?

A. I would rather not comment on that at the present time. As I understand that situation, the *Senat* in Berlin has said that if the Federal Government of Germany wishes it to hold such a plebiscite it would be willing to do so provided the three occupying powers agreed. As yet we have got nothing official before us, and until we have something official before us and we know what the question might be, and so on, I'd rather not comment on that.

Q. Sir, you mentioned that disarmament seems to have the highest priority going into the summit, and yet the 10-nation talks you also say are in a fairly early stage. How can you reconcile this? What could be done at the summit, given what has been done so far in the 10-nation talks at Geneva?

A. Well, there again I couldn't be explicit. In these talks in Geneva they seemed to have reached a deadlock rather early in the game from the point of view of not knowing where to begin. And there have even been indications that the Russians would like to take a long recess beginning very soon and carrying on into June. We are perfectly willing to take a brief recess, but we see no reason for a long one. And we are frankly puzzled as to whether this indicates that they feel they are just going to keep talking at Geneva without making any headway at all with the idea of Mr. Khrushchev coming up with some kind of idea at the summit. It's a puzzling situation.

Q. Mr. Secretary, does that mean that the Soviets have proposed a cessation of the discussions at Geneva? You said indications.

A. There have been informal discussions of a recess for some 6 weeks or so, not to begin right away but to begin at the end of April and carry on well into June.

Q. Mr. Secretary, have you had any preliminary indications yet as to whether the Russians will go for the Camp David package, and also do you still have any conviction that a treaty can be signed within 30 days—90 days?

A. Well, to answer the last one first, I'm skeptical whether it can be done. We have got a great many things still to work out, some of them that are very difficult from a technical point of view. With regard to the first, it's hard to tell. Up to now, as you know, since then there have only been three meetings held and those have been largely exploratory, asking for more information or explanation of some of the details. I'm still reasonably optimistic that something might come out of it.

Q. Mr. Secretary, on this matter of a recess of the disarmament talks, if the Russians are in favor of a long one and the Western Powers in favor of a short one, does that mean there will be a recess at the end of April of some duration?

A. There may be. We don't know. That is being discussed in Geneva now.[9]

Q. Thank you, sir.

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[9] On Apr. 9 a Department press officer read to news correspondents the following statement by Secretary Herter:

"Information received from Geneva this morning indicates that agreement has been reached on a recess in the disarmament negotiations as a result of a general understanding among all 10 delegations rather than on the initiative of any one of them. I personally believe the recess is too long but, in view of the agreement reached, I shall not press for a reopening of the matter."

United States Replies to Chilean Students' Letter to President Eisenhower

Following is the text of a letter to Patricio Fernández, President of the Federation of the Students of Chile, which was delivered at Santiago on April 8 by Walter Howe, U.S. Ambassador to Chile, together with the text of a letter of February 24 from the Chilean students to President Eisenhower.

U.S. LETTER

Press release 180 dated April 8

April 8, 1960

Dear Mr. Fernández: At the time of the visit of President Eisenhower to Chile,[1] you wrote to him on behalf of the Federation of Students of Chile stating in frank and friendly terms your views on a number of hemispheric and world problems. In acknowledging your letter President Eisenhower wrote that a reply would be sent you after your letter had been carefully studied. It is my privilege, on instructions of the President, to convey to you that reply.

Before responding to your observations and comments on the specific political, economic and social problems involved in the relationship between the United States and Latin America, I would like to touch briefly on a few philosophical concepts, which I believe will help in an understanding of the United States of the present day.

While the people of the United States have developed a basic political and economic system which they consider appropriate for themselves (although subject to continuing adjustment and improvement), they do not seek to impose their system on others, recognizing the right of each country to evolve and enjoy its destiny free of foreign intervention.

The United States does not consider itself a "developed" or a "satisfied" nation. One of the effects of the progressive income tax, social security system, free schools, and other social programs in the United States has been a widespread distribution of the national income. The United States hopes that younger generations abroad will recognize that these advances were made through the determined effort of the people of the United States. The "prevailing order" in each country is only the existing situation in a stage of evolution toward economic and social betterment. It is our desire to assist each country in its efforts to improve the lot of the common man and we, therefore, welcome measures which would make the next "prevailing order" more equitable.

On the domestic scene, our Government is faced with a tremendous challenge of financing the increasing needs of its citizens for education, communication and other services. At the same time, the United States is devoting increasing amounts of its tax revenue and savings to cooperative efforts in the economic and social improvement of other countries of the world. Should the United States ever consider itself "developed" or be "satisfied" with the world, either the millennium will have arrived or we will be slated to disappear into history. We do not expect either contingency.

The United States shares with other governments and people the goal that this hemisphere be composed of sturdy, independent republics, each with a viable developing economy, living under a democratic political and social system of its own particular devising. We recognize that there is much the United States can do in assisting other nations to achieve this goal. We welcome opportunities for exploring new and more effective ways of cooperating in mutually agreeable joint under-

[1] For background, see Bulletin of Mar. 28, 1960, p. 471.

takings directed toward this end. At the same time, we are keenly aware that our efforts can only complement those of our neighbors on their own behalf. Nothing could more quickly prejudice our cooperative efforts than for the United States to seek—even with the best of intentions—to intervene in the domestic affairs of the other American republics.

Admittedly, for governments as for individuals, programs based on the most noble principles are often the most difficult to implement. The world we live in is exceedingly complex. (How much more productive and fruitful would be our lives if our peoples simply had the assurance of peace with freedom.) We make no claim to perfection or infallibility. In our government, as in yours, the exercise of democracy means that progress is made through compromise, adaptation and adjustment, as well as by steadfast purpose. Foreign policy, like domestic policies, results from the reconciling of conflicting positions and interests and can rarely fully satisfy everyone. But this same democratic process provides the means for the correction of errors. As public opinion in our countries becomes better informed of each other's problems, through such means as this present exchange of correspondence, we believe that this corrective process will become more prompt and effective.

Now, to get down to some particulars.

The Inter-American System

You ask ". . . what is the inter-American system and for what does it exist?" You answer the first part of this question in general terms, mentioning only those specific legal documents which carry with them the joint responsibility for peace and security. Vitally important as this aspect of the inter-American system is, the treaty machinery for peace and security does not by any means comprise all of that system. You most assuredly are informed of the historical development of the unique cooperative inter-American relationship based upon mutual respect, but you should also be aware of the comprehensiveness of the many and varied activities which are being carried on in each of the American Republics by the Organization of American States and its specialized agencies which together make up the permanent structure of the inter-American system.

Without entering into a detailed review of all aspects of inter-American cooperation, I should like to point out, as examples, that the Organization of American States Fellowship Program will help 500 students this coming year to pursue advanced studies in countries other than their own, and that over 5,000 technical specialists have received training under the Technical Cooperation Program of the Organization of American States since its inception; that the malaria eradication program of the Pan American Health Organization is moving forward each year closer to the elimination of that dread scourge from the Americas; and that the activities of the Organization of American States include promotion of economic development, the development of agriculture, improvement of housing, betterment of child welfare and education, advancement of science, and many others.

In Santiago, Chile, for example, the Organization of American States operates a course in economic and financial statistics for training of persons from many of the American Republics. In Bogotá, Colombia, the Organization of American States operates the Inter-American Housing and Planning Center which trains those who will carry on the low-cost housing activities in their own countries. In Montevideo, Uruguay, a specialized organization of the Organization of American States, the Inter-American Children's Institute, concerns itself with child welfare.

These are all parts of the inter-American system; these are all phases of an inter-American program to which my Government contributes heavily, just as it has pioneered a system of bilateral technical cooperation which makes it possible for that kind of assistance to be given and received in a relationship of fraternal cooperation. These, and many other genuinely cooperative programs and projects, are as much parts of the inter-American system as the machinery involved in the quest to achieve collective security, even though their problems and immediate accomplishment may be less spectacular and provide less of a target for hostile and unwarranted attack. Just as with the program of bilateral technical cooperation which we have developed, the total program in Latin America of the Organization of American States, of Operation Pan America and other programs of collective action has the purpose of correcting the very problems about which you express such deep concern, and this program

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is carried on without detracting one iota from the sovereignty, independence, or juridical equality of any of the Latin American governments, or from the freedom and dignity of any citizen of a Latin American country. On the contrary, these are strengthened and fortified.

Let us now take a look at the inter-American system for achieving peace among the American nations and security from external aggression. This you find involves "obligations accepted by the weak in favor of the strong, and the poor in favor of the rich." As you must have learned, the inter-American system is based on the principle of non-intervention inextricably combined with the assumption of collective responsibility to act together when that principle is violated, either by aggression from abroad or from within the hemisphere. It may be well to recall, therefore, that in many respects the welding of this system came as the common response to the threat which hung over this hemisphere from Nazi and Fascist dictatorship, a threat which was overcome only to be replaced by the danger of Soviet and other international Communist overt and subversive aggression. The first of these dangers was overcome with tremendous direct loss of lives and property; in the case of the United States alone it involved the loss of tens of thousands of lives and hundreds of billions of dollars worth of material wealth. The absolutely essential preparation to meet and resist the second of those threats has also required something which the people of the United States do not like—the greatest peace-time mobilization of military strength the world has ever known—at a cost which heavily bears upon the income of every single American citizen.

The people of the United States of America did not seek the responsibilities thrust upon it by the need to maintain peace against the aggressive intent of international communism—in fact, those of you who are students of history may recall that the people of the United States, in refusing to join the League of Nations following World War I, rejected such a responsibility once before, with a serious setback to the hopes of that era for a general system for world peace. However, we have now accepted it as a joint responsibility with Chile and other nations which value their freedom and desire to maintain their independence.

Any who believe this contribution by the people of the United States to be misdirected might do well to try to penetrate the Iron Curtain and find out what happens in Hungary and Rumania, in North Korea or North Viet-Nam or Communist China when the conspiracy of international communism is challenged by individuals or groups who want to live as free men. Where are the students of Hungary who in 1956 challenged this conspiracy? Would you wish to exchange the freedom of thought and expression which Chilean students enjoy for that of students in any Communist country? Freedom is indivisible—its loss by any nation prejudices the entire free world. Obviously, maintaining the physical security in which we can strive to improve our democracy is in our interest, but so also is it in the interest of Latin America. Obviously, the Latin American countries have made and are making an invaluable contribution. That is reciprocity.

You would appear to have overlooked the most important reality of the world of 1960, indeed the most important single fact of the entire post-war world, beginning with the first Soviet threats to Iran, to Greece, to Turkey, and going on to the aggression against Korea, Viet-Nam, Hungary, Tibet and others. That reality is the danger posed by international Communism to the freedom and independence of every government, great or small, rich or poor, whatever its stage of economic or political development. In your country as in the United States, there is all too often a tendency to forget that, whatever may be the weaknesses and inadequacies of our political life, the liberty and individual freedom which we now have would have been utterly destroyed if communism had been permitted to move in the post-war world unhindered and unrestrained by the defensive capacity of the countries which chose to maintain their independence.

From all of this it is difficult to comprehend the reasoning with which you find that our inter-American relationship is a one-way street—without the element of reciprocity which you desire. If, as your letter seems to imply, you and your fellow students really do believe that the people of the United States have given nothing and have gained all in their relationship with Latin America during a period when so many of the lives of its young men and so much of its wealth have been contributed to building the security of Western civilization, our mutual misunderstandings are indeed profound.

With regard to specific questions you raise:

(1) It is not clear what you mean by "military security by means other than armed forces", but if you mean that expenditures for armaments should be kept to the absolute minimum consistent with security, the United States Government is in full agreement and has offered assistance in the search for the means whereby excessive military expenditures may be reduced and savings applied to urgent needs for economic development. You may be assured that the Government and people of the United States would be delighted at a fruitful outcome of all the efforts which have been made in the United Nations and elsewhere to establish the solid bases for genuine limitation of armaments throughout the world. Bearing in mind the guarantees of the Rio Treaty, we are prepared to cooperate in practical steps to reduce expenditures on armaments in this hemisphere. President Eisenhower made this very clear in his endorsement [2] of President Alessandri's statesmanlike proposal for the limitation of arms in Latin America.

(2) Promotion of Democracy. As President Eisenhower indicated in Santiago after first reading your letter, the United States does not and could not look "benevolently" on dictators either in the Americas or elsewhere. The principles and practices of democratic life are too much a part of the fabric of our history and governmental institutions and practices for us not to be repelled by the tyrannical abuse of power by governmental leaders. We shall continue to favor any approach to the reduction and elimination of anti-democratic governmental practices which has a real prospect of success. This attitude necessarily implies that the approach is genuinely constructive, is in accordance with international obligations, and represents the consensus of the inter-American community. It would be nothing less than foolhardy to become so obsessed with the destruction of undemocratic regimes as to embark upon actions leading to chaos, anarchy or their replacement by a new but even more dangerous form of tyranny.

The truth of the matter is that democracy, unlike communism or any other form of tyranny, cannot be imposed from without by any nation or group of nations.

[2] For text of an address to the Chilean Congress by President Eisenhower on Mar. 1, see *ibid.*, p. 480.

As the past ten years have demonstrated, undemocratic systems and practices can be resisted and conditions permitting democratic growth can be established through the earnest efforts of all sectors of a responsible citizenry—and I here definitely include those military leaders in Latin America who have a real understanding of the civic responsibility of the military forces, and who have already made highly significant contributions to the maintenance or restoration of the conditions for greater democracy. The recent years of Latin American political development, with one or two notable exceptions, have shown marked progress in the direction of responsible democratic government.

What all of us can and should strive for is to improve and strengthen the admittedly imperfect democracies in which we live in order that they may serve as examples for others. This moral pressure by example strikes a responsive chord in the hearts of the people.

(3) Economic Cooperation. The third fundamental point that your letter refers to is "an economic integration of Latin America that will permit these countries to industrialize their economies and accelerate their development . . . ." Your letter suggests that on this point as well as on the other two fundamental points mentioned therein the United States has failed to lend its full collaboration.

It is only fair to point out that the United States Government has repeatedly and forcefully given its support to the concept of common markets in Latin America which would lead to an expansion of trade within the integrated area and between it and other regions of the world.

In addition, let us also consider some other elements basic to the process of economic development. I refer to improving the knowledge and skills of the population and the provision of adequate capital for industry and agriculture. An abundance of these elements is indispensable for increasing the productivity of labor and eventually placing within the reach of the people an increased supply of the necessities and amenities of modern life. Your letter fails to mention the role of the United States Government or of American private citizens in helping to supply the needs of Latin America in these vital sectors. This role has been immense.

Our Government-owned Eximbank has loaned, since its inception, over $3,900,000,000 in Latin

America to both state-owned and private enterprises. The great bulk of these loans has been for the purpose of aiding economic development. An example is the $77 million which made possible the Cia de Acero del Pacifico (CAP). Add to this over $300 million in loans resulting from the sale of surplus agricultural commodities and $78 million of our Development Loan Fund, both on extremely liberal repayment terms. Also substantial United States contributions have been made through the International Bank for Reconstruction and Development and other international lending institutions.

Investments by private American businesses have been even larger—about $9 billion; indeed United States private investments in Latin America exceed those in any other region of the world. According to the latest statistics, from these United States private investments came 30% of Latin America's exports. These export earnings created enough foreign exchange to pay for all of the imports and income remitted to the United States by those companies and still return a surplus of $900 million a year to Latin America. About 625,000 jobs have been created and 15% of all the taxes collected in the area came from United States private investment.

My Government believes that, generally speaking, United States investors in Latin America are taking seriously their responsibilities toward their employees and the people of the countries in which they do business. They are interested in putting their roots down as responsible business citizens of those countries. They want to stay and help in the development process, and it is a gross exaggeration, and in most cases patently untrue, to accuse them of being interested solely in exploiting your countries.

Perhaps it would be timely and useful to explain briefly what we mean by "the free enterprise system" since this is what produces the wealth of the United States. By their own unremitting work and ingenuity, our citizens, in an atmosphere of economic as much as political freedom, produce the goods which are sold for their own consumption and export. Out of their earnings they pay among the highest taxes in the world, and these in turn enable the United States Government to finance the Export-Import Bank, the Development Loan Fund, the Technical Cooperation Program, and to contribute importantly to such international institutions as the International Bank for Reconstruction and Development, the International Monetary Fund, and the Inter-American Development Bank. But, of even greater importance, they also are able to save a portion of their earnings for investment in industrial enterprises at home and abroad. By thus pooling their savings, their credit and other resources, this nation has developed a system which has so far invested over $9 billion in Latin America and additional investment is available if wanted. Now, I repeat that we do not argue that our system should be copied by other countries, although we think our own development has been due largely to that system. We do say that this system affords a vast pool of capital for development purposes, more than any government can hope to accumulate for foreign loans.

Our technical cooperation program has afforded training to thousands of Latin Americans in a great variety of fields from agriculture and public health to industrial techniques and public administration. Undoubtedly a substantial number of students of your Federation have studied in the United States or have had United States trained professors assist them in their educational endeavor. Our programs in various fields have helped make this possible. United States-financed plants and commercial establishments in Latin America have also afforded a vast training ground for Latin America in industry, in modern business methods and in management.

This brief description of the role of the United States in helping to supply the needs of Latin America in the fields of capital and of technical skills is only to point out (as your letter did not) that the United States has contributed—and contributed significantly—to the great economic advances that have taken place in Latin America. What is more important is that this contribution is continuing and that together with you, our neighbors, we are constantly seeking ways and means of improving and expanding our cooperation still further for the purpose of raising the standards of living of the masses of the Latin American people.

The Pricing of Raw Materials

The quotation from the Paley Report,[3] which

[3] For background on the report of the President's International Materials Policy Commission, of which William S. Paley was chairman, and excerpts from a digest of volume 1, issued in June 1952, see *ibid.*, July 14, 1952, p. 54.

you have taken out of context, gives an entirely erroneous impression of the recommendations of that report and of the objectives of United States trade policy. The full report shows how the development of low cost resources benefits raw material producing countries as well as the countries which buy part of these raw materials. In fact, as pointed out below, foreign producers and foreign countries have benefited substantially from policies of the United States Government designed, not to obtain raw materials from foreign sources at the lowest price possible, but to give a fair return to suppliers, whether in the United States or in other countries.

Your letter states that the "moral solution" of the problem of prices is the adoption of the concept of "just prices and adequate remuneration for the raw materials" exported by Latin America. It goes on to admit frankly that the use of an ethical notion of a just price would present many practical problems. Our appreciation that violent fluctuations of raw material prices can cause great difficulties for countries which are heavily dependent on the exports of one or two commodities has caused the United States to cooperate with primary producing countries, not only in Latin America but elsewhere, and in many different ways, in efforts to overcome these difficulties. But the problem is deep-seated and requires basic solution of such matters as rates of economic growth, the need for diversification of production, and the balance of supply and demand. During the time that such fundamental adjustments are being worked out, it may be possible in certain cases to reduce the severity of price fluctuations by arrangements of various kinds among interested countries. In most cases it is possible for countries experiencing temporary balance-of-payments difficulties as a result of commodity price declines to obtain external financial assistance calculated to tide them over.

The United States attaches high importance to finding sound solutions to these problems. Thus it is giving its full support to many international organizations which are currently analyzing problem commodities and endeavoring to assist the producing countries in their marketing problems.

The United States has become a member of the Commission on International Commodity Trade, which was established by the Economic and Social Council of the United Nations to make studies of the outlook for basic commodities.

The United States, as a member of the Food and Agriculture Organization of the United Nations, participates in all commodity study groups and the Committee on Commodity Problems.

The Contracting Parties to the General Agreement on Tariffs and Trade have established a special committee to study obstacles to the expansion of trade in raw materials and develop recommendations for constructive action. The United States is participating actively in this committee.

The United States has price support programs for certain agricultural products and minerals. These are certainly not policies for obtaining raw material imports at "the lowest price possible". If anything, the reverse is true. Foreign suppliers often obtain prices for commodities sold in the United States which exceed world market prices, this being at considerable cost to the United States consumer. With respect to imported raw materials which are not produced domestically, we customarily levy low duties or none at all, and impose few internal taxes. This stimulates our consumption of these products and so redounds to the benefit of the exporting country.

The examples cited below are typical:

Sugar:

The United States buys almost one-half of its annual requirements of sugar, which total about 9.4 million short tons, from foreign suppliers, principally Cuba, at a price which ranges currently between 2 and 2½ cents above the world market price. In this way the United States transfers to the supplier countries, all of which have less developed economies, a total of 200 million dollars annually.

The tariff on sugar entering the United States has been reduced from 2.5 cents to .6250 cents per pound over the past 25 years, to the substantial benefit of foreign producing countries. The clause in the United States Sugar Act which allocates to foreign suppliers 45% of all increases in domestic consumption permits those suppliers to benefit to almost the same extent as domestic producers from the price stabilization features of our sugar legislation.

The United States has been a party to international sugar agreements since 1937, because of

its recognition that stable sugar prices are of great importance to many sugar producing countries of this hemisphere.

Lead and Zinc:

Although the quotas on imports which were established in 1958 reduced imports of these metals to 80 percent of the volume of imports during the previous 5 years, foreign producers have in general received substantially higher prices for the share of their production which is sold in this country than for that sold in other markets. The desire of the United States to help stabilize world prices for these metals is attested by its participation in the establishment of a Lead and Zinc Study Group under the auspices of the United Nations.

Coffee:

The United States does not impose any duty on the importation of green coffee, in contrast to many European countries which maintain relatively high tariffs or internal taxes, or both. (The same is true of cocoa and tea.) As a result, per capita consumption here is among the highest in the world, and more than 23 million bags of coffee were imported into the United States in 1959.

The United States has not sought to obtain its coffee at the lowest possible price but, on the contrary, has given its full support to the establishment of a Coffee Study Group under whose auspices a short-run marketing agreement has been worked out which has maintained prices over the past 2 years at levels which have generally provided a fair profit to producers. The United States continues to support the Study Group in its current efforts to develop a long range program for re-establishing equilibrium between supply and requirements.

Other Commodities:

As for copper prices which are of special interest to you as Chileans, they have been so favorable in recent years that production in your country has increased by 37 percent over the past 5 years.

Recognizing that the stability and expansion of markets for raw materials is a matter of primary importance to the less developed countries of the world, the United States is giving its full support to seeking solutions through international organizations.

Social Evolution

The next portion of your letter contains an invitation, which, if accepted by the United States, could only constitute flagrant intervention in the domestic affairs of Latin American countries. It would set up the United States as the arbiter of matters which only a sovereign people can decide for themselves.

The United States does not "defend the prevailing order," nor does it incite to revolution. To attempt to do so would be the most arrogant kind of colonialism, repugnant to the American people.

In the 18th century our country gained its political independence; a hundred years ago it fought a bloody civil war over a basic national issue and in this century has carried out great social programs and changes. This is the way we dealt with our own particular problems, but we would not impose our pattern or our experience on other nations in their efforts to find better and more equitable national existences.

Our technical cooperation programs are a testimonial to our earnest desire to cope with the great problems you have cited—malnutrition, illiteracy, lack of public health, inadequate housing and others, and we hope that some of our "best friends" are among those we seek to help in our joint work in these fields.

Self-Determination in Cuba

In your letter you commend highly the policies the United States Government is following with respect to the present Cuban Government, without commenting on the position which the Cuban Government has taken toward the United States Government or toward United States citizens who over the past 100 years, and in accordance with Cuban law, have invested their savings in the Cuban economy. No officials of this administration have ever made any public statements or committed any acts which may reasonably be construed as unfriendly toward the Cuban Government and people. It is regretted that the same cannot be said for the leaders of the Cuban Government who seem to have intentionally made derogatory and most hostile statements regarding the United States Government and people, designed to disrupt our traditionally amicable relations.

As students you desire to ascertain the truth;

therefore, it is suggested that you examine the record fully and fairly before reaching a judgment on such a serious matter.

Your letter indicates that you also find elements in the Cuban situation which cause you concern. This concern appears to be shared generally throughout the hemisphere, and not only in those countries which were the targets of the series of invasion attempts launched from Cuba last year.

In all candor I must state that many long-time friends of Cuba in the United States and elsewhere in the hemisphere who were heartened by the ideals expressed by the present leaders of Cuba when they assumed control of the Government have been gravely disillusioned by what is coming to be considered a betrayal of these ideals in such matters as freedom of expression, equal protection of the laws, and the right freely to choose a representative government.

The press of the United States, like the press of Chile, is free to voice its opinions on all matters, whether domestic or foreign; this, you will agree, is a freedom basic to the exercise of democracy. Unfortunately, recent incidents in Cuba make it quite clear that it is dangerous for anyone there to voice opinions which do not conform with government policy.

On the subject of agrarian reform you recognize that the United States has given evidence over a period of years of its interest in and sympathy for agrarian reform movements. In Latin America, my government has demonstrated its interest in promoting rural welfare through a variety of assistance programs, including technical assistance, Export-Import Bank loans, and such farm development and land settlement programs as that in Guatemala. You mention several countries in which agrarian reform movements were carried out with support from the United States and then, mentioning Cuba, inquire why our policy is different.

The United States is not opposed to land reform in Cuba any more than it is in any other part of the world. In our notes of June 11[4] and October 12, 1959,[5] to the Cuban Government on this matter, the Government of the United States expressed its full support of soundly conceived programs for rural betterment, including land reform. The United States Government at the same time expressed its firm belief that their attainment is not furthered by the failure of the Government of Cuba to recognize the legal rights of United States citizens who have made investments in Cuba in reliance upon the adherence of the Government of Cuba to principles of equity and justice. No property owner can feel secure or engage in productive labor on his own land unless laws are observed.

The United States protests were directed against arbitrary actions of Cuban officials and others, taken in disregard of that country's own laws as well as of international law.

You may be interested in knowing something of the contribution United States private investors have in the past made to the Cuban economy, which provides one of the highest national incomes in Latin America. A report issued in 1956 shows that payments by United States companies in Cuba for salaries and wages were $140 million. Over 70,000 persons were employed at an average annual wage rate of $2,000. Of the 70,000 employees of these companies, only 320 were sent from the United States.

In concluding, let me assure you that the idea of foreign intervention into Cuban affairs is as distasteful to the United States as would be the intervention into the domestic affairs of any other American republic. You will recall the role which the United States played, along with the other American republics, in coming to the assistance of Panama and other Caribbean republics when their territory was invaded last year by forces which departed from Cuba, and in taking a position at the Santiago Meeting of Foreign Ministers held in August.[6] The position of the United States on intervention is very clear.

This has been a lengthy reply to your letter. The many points which you raised are of keen interest to the peoples of the hemisphere and it is to be hoped that our correspondence will contribute to a greater degree of mutual understanding. Because of the growing interest in Latin America among students in the United States, steps have been taken to circulate your letter to university organizations in the United States. Perhaps you will wish to circulate this reply in Chile. In this way it may be possible to stimulate

[4] For the substance of the note of June 11, see *ibid.*, June 29, 1959, p. 958.

[5] Not printed.

[6] For background, see BULLETIN of Sept. 7, 1959, p. 342.

a greater exchange of ideas and information between the youth of our republics.

Please accept, through me, the warm good wishes of President Eisenhower to you and your fellow students and the expression of his conviction that the youth of the hemisphere will devise increasingly effective means of achieving our common goal.

Sincerely yours,

WALTER HOWE
American Ambassador

SR. PATRICIO FERNÁNDEZ,
President of the Federation of Students of Chile.

CHILEAN LETTER

Unofficial translation

FEBRUARY 24, 1960

YOUR EXCELLENCY, Welcome to Chile. Please accept through our intermediary the cordial greeting of the twenty-five thousand students who today study in the seven Chilean universities and who tomorrow will be responsible, to a large degree, for the destiny of this country.

We know that your obligations are heavy and your time short, but we believe that, for a statesman such as yourself, the human and social values of these countries and the opinions which qualified observers may have of these values, and of the future, are much more important than the routine of protocol: full of monotonous and flattering limitations.

We, the Chilean university leaders, have been elected in the separate federations of students, through a direct vote, both free and secret, and represent all political groups. The majority of us are Christians. And almost all of us, Christians and free thinkers, are firm supporters of democracy and in opposition to all types of dictatorship. Permit us, then, to express to you with friendship, with respect, and with frankness, our thinking on some fundamental aspects of the relationship of the United States with Latin America and with Chile.

What is the Inter-American System and for what does it exist?

The relationship between the United States and the 20 Latin American nations is framed by a group of treaties and other legal documents of an international character, obligatory and current, such as the Treaty of Rio de Janeiro (1947), the Caracas Declaration (1954), Military Pacts, etc. which make up the Inter-American System. What is the deep political "philosophy", the principle inspiring all of these agreements? One is very clear: *To establish by legal obligation, Latin American solidarity with the U.S.* in the present dangerous world situation. North American diplomacy has succeeded in achieving this already. We have stopped being "good neighbors" and have begun to be, without realizing it, "associated nations" in the world policies of the United States. The truth is that the Inter-American System is the most complete of the many international arrangements in which the United States takes part. But it is equally true that in no other does the United States obtain more *advantages*, at the same time acquiring fewer *obligations* in respect to its associates.

If this lack of *equilibrium* is maintained, not only will it compromise Inter-American relations, but it will also destroy the moral and political justification for the existence of the Inter-American System.

To sum up: In order to express our conviction with the promised frankness: the Inter-American System is up to the present time a regime of obligations accepted by the weak in favor of the strong, and the poor in favor of the rich. No one can say exactly what the *reciprocal obligations* are which the rich and strong nation contracts with the weak and poor nations, nor what their importance is.

What can be done? *Reciprocity* and not aid should be the moral basis of the Inter-American System and the *reciprocity* between the United States and Latin America should materialize in three fundamental ways.

1) Military security within the continent by other means other than the armed forces (more than 1.5 billion dollars each year are spent by these countries guarding themselves from one another).

2) Promotion of democracy. Denying "salt and water" to the dictators and tyrants in power (such as Trujillo, Somoza and Stroessner) instead of looking at them benevolently and making easy for them the exploitation and *vilification* of their peoples, under the pretense that they are "friends" of the U.S.A. and "enemies" of "communism".

3) An economic integration of Latin America that will permit these countries to industrialize their economies and accelerate their development in a way more compatible with the elementary necessities of civilization.

In none of these three fundamental points has the United States assumed the initiative, nor has it lent its collaboration where this would have been decisive for success. It has abstained or given only the "lip service" of innocuous declarations. This is in sharp contrast with the vigor of the initiative, the persistence of purpose and the immense sacrifice for the work in Europe—the Marshall Plan; NATO; "off shore" procurement; the Dillon Plan; all this to obtain the same results that the Latin American nations needed more urgently than Western Europe. The eventual evasive reply to this is that the Latin American countries themselves, without the help of the United States, should modify the armament policy, promote democratic government and integrate their economy within new multinational structures. We admit that in "theory" it is so, but in "practice", the presence or the absence of the United States with its enormous influence and resources of every kind, means the difference between making an immediate reality of the aforementioned three fundamental points or keeping them for another century and a half suspended in the blue air.

Just prices and moral basis for exchange:

The gap that separates the industrial countries from the nations producing raw materials widens more each

year. Industrial nations continue increasing their capital at the expense of under-developed countries, and prices of raw materials continue to be distorted by the industrial countries, including the United States, through different means, all of which are directed toward "obtaining foreign raw materials at the lowest price possible" (Paley Report—1952 "Resources for Freedom").

These means, which seem permissible to those directing the North American economy, have disastrous consequences for Latin American countries.

Then, if our capitalization *cannot* base itself on the exploitation of other countries, as was the case with Europe for four centuries, and it cannot be based on the unmerciful exploitation of our own people as the communist alternative demands, the moral solution demands that it be the product of just prices and adequate remuneration for the raw materials which we sell to the industrial nations.

We understand that the substitution of an ethical notion of a just price, and one in accordance with the needs of the producing country, for the false concept of "market mechanism", offers many practical problems. But all of them may be solved if this new principle to regulate economic relations between the United States and Latin America is accepted.

"Sabbath has been made for man and not man for the Sabbath"

This quotation from Our Lord Jesus Christ seems an appropriate one for us to illustrate a fundamental question. Has the United States become a "satisfied nation", one which fights for the maintenance of the prevailing order in the world and in Latin America? This dangerous image is becoming more accepted every day. If this is true, we must respectfully say to you that the United States will have little or nothing to offer the younger generation and the immense multitude of the poor, who compose 90% of the Latin American population. And we will have little or nothing to expect from the guidance and genius of North America.

In the United States, and in Western Europe, it makes sense to fight to defend the "prevailing order", because there social order represents values which are shared by everybody: Personal freedom, social justice, real equality in the law, high cultural, scientific and technological levels, satisfactory standards of living, etc. In Latin America to "defend the prevailing order" means maintaining the privileges of a thin layer of the population which controls the power and the wealth, surrounded by an ocean of poor people for whom the "social order" means little or literally nothing. Proofs? Despite the fact that the population of Latin America is only 7% of the world's population, in a territory covering 16% of the inhabitable surface of the planet, our collective standard or condition of living is reflected in the following figures:

Two-thirds of the population (120 million) live in a chronic state of malnutrition (FAO); two out of five Latin Americans (70 million) are illiterate (UNESCO); Latin America has the lowest rate of economic development in the Western World (1% a year per capita), or an average income of only US$275 per annum (ECLA).

If trees are known by their fruit, it is a mockery to pretend that this situation reflects the Christian or the democratic order for which the immense mass of starved, illiterate and uncultured people, as well as those lacking rights, freedom and property, populating the majority of Latin America, could hope. It is a crime against the spirit. If the injustices of today are all that Christianity or democracy can offer this continent, no one should be surprised if the best children of these nations turn toward communism, seeking those elementary needs which they lack and which are the essentials to morality and civilization: Food, shelter, and education.

It is true that the United States apparently finds its "best friends" those always willing to hold North American points of view, whatever they may be: willing to flatter North American officials and to serve North American business—in the small group of privileged Latin Americans to whom the "prevailing order" in this starved and illiterate America means the right to enjoy a standard of living which would be envied by the multi-millionaires of the United States.

But they are not "friends" of the United States: they are the friends of their own privileges, which they aspire to identify with North American interests in order that they themselves may be supported by the United States.

Mr. President: We think that the great mission of the United States in Latin America is not to become involved in the "defense of the prevailing order" nor to let itself be "administered" by selfish beneficiaries, but rather that the United States should encourage by all legitimate means those who fight for the creation of a new social order, one which would be closer to Lincoln's immortal definition, "a government of the people, by the people, and for the people".

Respect for self-determination in Cuba

The Cuban revolution is being observed with great attention and even with immense hope by all progressive Latin American sectors, especially the University youth.

We know and applaud your recent official declaration, serene and respectful, with regard to the self-determination of the Cuban nation, but so different, unfortunately, from the campaign of hatred, calumny and distortion broadcast by two great North American news agencies and stridently repeated by the Latin American press which serves the selfish interests of the groups which feel themselves threatened.

The anti-Cuban campaign has revived these days with the complicity of several Latin American countries waiting for the Cuban sugar quota in the North American market. (Latin America owes its historical nullification and material poverty to such small and despicable "statesmen".) Press pressure shall be renewed in order to paralyze the Cuban government in its plans for social reform or to encourage a shameless foreign intervention.

Your Excellency: In our modest opinion, North American intervention in Cuba would be "not only a crime" (the phrase is Talleyrand's) but an "immense stupidity". It would be an unforgivable abuse which would mortally wound the moral and psychological basis

of the Inter-American System and the collaboration of our nations with yours. You would have the interested applause of the small circle of individuals who encourage you to intervene because this is convenient for their own self-interest; but you would lose forever the respect and the confidence of the young, the poor and the decent people of Latin America.

At the same time, we want you to understand that we do not give unconditional adhesion to the Cuban experiment. We are also discouraged by the length of one man's term in office and the lack of institutions based on the will of the people. But it seems to us that it is plainly immoral to classify the Cuban revolution, its government or its social fulfillments, especially the agricultural reform, as "communist". We shall not enter into useless details, but it is scandalous and terrifying to confirm that North American news agencies, and not a few U.S. legislators and public men, attack agrarian reform in Cuba as being "communist". This reform is more moderate and generous with old land owners than that *carried out* by General MacArthur in Japan or the agrarian reforms *supported in full* by the United States in Egypt, Israel, India, Pakistan, Vietnam, etc.

Why this difference? Is it because seven North American companies on the island own two million hectares of land? If this is a reason for the United States to attack Cuba for the same action it has supported with all its strength in other countries, how can anyone escape the dangerous conclusion that North American private investment is the worst threat to free national decisions and social progress? Has anybody thought of the dismal consequences of such a conclusion?

Some time ago, here in Santiago, an Ambassador of the United States spoke in such an arrogant way of "the lesson of Guatemala" that the Chilean Senate condemned it unanimously. Now others apparently prepare "the lesson of Cuba". Because your personal and official position, Excellency, has been clear and different, we do not believe that we are lacking respect to you if we add that those who try to give Latin America these "lessons" of submitting to North American private interests are digging the grave of the Inter-American System and, perhaps, of democracy itself in this part of the hemisphere. Beware! These anguished nations are much closer to the limit of their resistance and to the rupture point than the "satisfied" of this world think. World conditions have changed and continue to do so rapidly. In today's world, it is no longer force, but reason and law; no longer fear, but inspiration and example, which are the arms in the battle for the minds of men and the confidence of people.

Therefore, you may be assured that the university students of Chile support with all their hearts the solemn promise which you have given to respect the free decision of the Cuban people. We reject with indignation and contempt any attempt of governments or private interests to intervene in Cuba by armed force, by economic reprisals or by press attacks, of which the Cuban revolution has for so long been a victim.

Mister President, we apologize for this long letter, but we felt it our duty to write to you on the solemn occasion of your first visit to Latin America and to our country.

There could never be a better time and a better place for the United States, if it so desired, to demonstrate to the world that which humanity can expect from the nation of Washington, Lincoln and Roosevelt.

Accept our respectful homage,

For the Federation of the Students of Chile

EDUARDO ZUNIGA
Secretary General

PATRICIO FERNÁNDEZ
President

Letters of Credence

Colombia

The newly appointed Ambassador of Colombia, Carlos Sanz de Santamaría, presented his credentials to President Eisenhower on April 1. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 166 dated April 1.

Panama

The newly appointed Ambassador of Panama, Erasmo de la Guardia, presented his credentials to President Eisenhower on April 8. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 178 dated April 8.

Harlan Bartholomew To Aid in Agadir Reconstruction

The Department of State announced on April 7 (press release 175) that Harlan Bartholomew, Chairman of the National Capital Planning Commission, would go to Agadir, Morocco, on April 8 in response to a request from the Government of Morocco for a high-level American city planner to join those of other countries in formulating preliminary plans for the reconstruction of the earthquake-damaged city of Agadir.[1]

Mr. Bartholomew is going to Agadir under the auspices of the International Cooperation Administration.

[1] For an exchange of messages between President Eisenhower and King Mohammed V, see BULLETIN of Apr. 18, 1960, p. 600.

President Urges Liberalization of Immigration Restrictions

MESSAGE OF THE PRESIDENT TO THE CONGRESS [1]

To the Congress of the United States:

I again urge the liberalization of some of our existing restrictions upon immigration.

The strength of this Nation may be measured in many ways—military might, industrial productivity, scientific contributions, its system of justice, its freedom from autocracy, the fertility of its land and the prowess of its people. Yet no analytical study can so dramatically demonstrate its position in the world as the simple truth that here, more than any other place, hundreds of thousands of people each year seek to enter and establish their homes and raise their children.

To the extent possible, without dislocating the lives of those already living here, this flow of immigration to this country must be encouraged. These persons who seek entry to this country seek more than a share in our material prosperity. The contributions of successive waves of immigrants show that they do not bring their families to a strange land and learn a new language and a new way of life simply to indulge themselves with comforts. Their real concern is with their children, and as a result those who have struggled for the right of American citizenship have, in countless ways, shown a deep appreciation of its responsibilities. The names of those who make important contributions in the fields of science, law, and almost every other field of endeavor indicate that there has been no period in which the immigrants to this country have not richly rewarded it for its liberality in receiving them.

In the world of today our immigration law badly needs revision.

Ideally, I believe that this could perhaps be accomplished best by leaving immigration policy subject to flexible standards. While I realize that such a departure from the past is unlikely now, a number of bills have already been introduced which contain the elements of such an idea. The time is ripe for their serious consideration so that the framework of a new pattern may begin to evolve.

For immediate action in this session I urge two major acts:

First, we should double the 154,000 quota immigrants that we are presently taking into our country.

Second, we should make special provision for the absorption of many thousands of persons who are refugees without a country as a result of political upheavals and their flight from persecution.

The first proposal would liberalize the quotas for every country and, to an important extent, moderate the features of existing law which operate unfairly in certain areas of the world. In this regard, I recommend the following steps:

1. The removal of the ceiling of 2,000 on quotas within the Asiatic-Pacific triangle;
2. The basing of the overall limitation on immigration on the 1960 census as soon as it is available in place of that of 1920 which is the present base;
3. The annual acceptance of one-sixth of 1 percent of our total population;
4. Abandonment of the concept of race and ethnic classifications within our population, at least for the purposes of the increases in quotas I have recommended, by substituting as the base for computation the number of immigrants actually accepted from each area between 1924 and 1959. In other words the increase in the quota for Italy, for example, would not be based upon a percentage

[1] H. Doc. 360, 86th Cong., 2d sess.; transmitted on Mar. 17.

of a so-called Italian ethnic group within our country, but upon a percentage of actual immigration from Italy between 1924 and 1959; and

5. The unused quotas of undersubscribed countries should be distributed among oversubscribed countries. This distribution should be in proportion to the quotas of the oversubscribed countries.

My second major proposal is for authorization for the parole into this country of refugees from oppression. They are persons who have been forced to flee from their homes because of persecution or fear of persecution based upon race, religion, or political opinions, or they are victims of world political upheaval or national calamity which makes it impossible for them to return to their former homes.

This year has been designated World Refugee Year.[2] The United States and 68 other nations have joined together in an attempt to seek permanent solutions for the problems of these peoples. Nations who in the past have granted entry to the victims of political or religious persecutions have never had cause to regret extending such asylum. These persons with their intellectual idealism and toughness will become worthwhile citizens and will keep this Nation strong and respected as a contributor of thought and ideals.

I have asked the Attorney General to submit a draft of legislation to implement the recommendations I have made. The administration stands ready to supply whatever information is necessary to permit appropriate action by the Congress during its present session. If, notwithstanding my specific recommendations, the Congress should enact other or different liberalizations of our immigration law that are constructive, I will be glad to approve them.

DWIGHT D. EISENHOWER

THE WHITE HOUSE, *March 17, 1960.*

[2] For background, see BULLETIN of June 15, 1959, p. 872.

Citizens by Choice

by John W. Hanes, Jr.
Administrator, Bureau of Security and Consular Affairs[1]

The purpose of this anniversary meeting is, I understand, to honor "Citizens by Choice"—the almost 5 million naturalized citizens who have become Americans since the Council was first formed. With this theme, the timing of your conference could not have been more happily coincidental in view of the President's momentous message of yesterday[2] on immigration and refugee matters if it had been so planned. For the theme of the President's message might very well be "Immigrants by Choice."

"Citizens by Choice" means that, although under no compulsion to do so, most immigrants want to and have become Americans, a very large number of them with the help and encouragement of organizations such as yours.

With regard to immigrants, "choice" is a term of much more flexible meaning. Some immigrants do indeed come to our country solely as a matter of their own choice, as has historically been true; they are the bold and the adventurous and those who feel that there is something here which they cannot find in their own homeland and which they value enough to start a new life in a new country. Increasingly in recent years, however, the choice which has faced those who come to our shores is a choice which has been dictated not by themselves. Some are homeless because of Communist oppression or because of other types of political upheaval, wars, or natural disasters

[1] Address made before the 30th anniversary conference of the National Council on Naturalization and Citizenship at New York, N.Y., on Mar. 18.

[2] For text, see p. 659.

others are forced to seek a new life because of economic and population pressures within their homelands.

There always exists, however, another aspect of choice with regard to those who would come to our country, and that is *our* choice of them. It is one of the most fundamental attributes of sovereignty that any nation retains the right to select those who shall enter its borders. Since 1921 our own regulations have been both qualitative and quantitative. I am certain that none of us would wish to abandon these two basic controls, for certainly we would not wish to have come here subversives and criminals. Even with regard to the sick and the infirm, our natural feelings of humanity must always be tempered by an awareness of the similar problems that exist within our own boundaries and our facilities to care adequately for our own citizens similarly afflicted.

When numerical limitations were first imposed on immigration, our country was not the major international leader which it is now. Today the United States is the foremost power in the free world. As such, it must always remember that its leadership is expressed by all its actions in all fields. This most particularly includes our attitude toward those who seek a life of freedom in our country.

This aspect of immigration and refugee policy is a very integral part of our foreign policy, and it is in this area that the particular interest of the Department of State lies. Former Secretary of State Dulles, testifying before the Congress in April 1956,[3] expressed this when he said:

> . . . my primary concern as Secretary of State is that whatever overall quota is adopted by the Congress be apportioned equitably. Our quota restrictions should not discriminate among persons merely on the basis of their national origin, nor should the restrictions discriminate unfairly against any of the friendly nations which have an interest in common with us in the defense of the free world. The present system of determining quotas is offensive on both counts. . . . The impact of this situation is felt in our relationships with friendly nations every day.

National-Origins System

Our present law is based on what is called the national-origins system. The supporters of this system feel, sincerely, that its maintenance is essential to the maintenance of the traditional character of American life.

In examining this system I feel we should first be clear as to what it is. In its simplest elements it is an attempt to perpetuate the same ethnic balance in the makeup of the American population as existed in 1920. This objective has been sought by controlling immigration after 1924 in accordance with percentages based on the 1920 makeup.

I disagree with the national-origins system as a basis of our national immigration policy primarily on two grounds.

The first is that the world of 1960 is not the world of 1920, nor is the position of the United States in the world of today the position that it was 30 to 40 years ago. Any attempt artificially to maintain a particular aspect of that former world must, it seems to me, become increasingly unrealistic and distant from facts as they exist with the passing of each additional year.

My second disagreement is based on the plain fact that the operation of our system over the years is not maintaining that balance which the national-origins system was supposed to maintain. Let me give you some examples of this.

In the years since 1924 there has been a very large nonquota immigration from the Western Hemisphere, which has resulted in a material change in the ethnic composition of our population. Another fact is that, particularly since World War II, there has been a very large nonquota immigration of the wives and husbands and children of American citizens from many countries whose actual quotas are very small. As a striking example of this I might mention that, although the quota of Japan is only 185 per year, last year's nonquota immigration from Japan, almost all of which fell into this category I have just described, exceeded 5,000. Furthermore, the entire trend of recent legislation, again primarily since World War II—both special refugee legislation and other special legislation such as that making nonquota immigrants out of backlogged preference-quota applicants—has naturally been to circumvent the restrictions imposed by the national-origins system. It is obvious that this must be so since the need for such special legislation has been only in the case of persons who come from countries with oversubscribed quotas.

Please do not misunderstand me on this point.

[3] BULLETIN of May 7, 1956, p. 773.

I certainly do not criticize such special legislation as has been passed to alleviate these special problems. This legislation has in almost all cases been passed to meet a real and pressing need. I merely point out that its effect has been the opposite of maintaining the national-origins system; and I further point out that special legislation designed to meet one particular problem, in most cases only for a certain specified time, is both administratively and budgetarily unsound and costly because it requires the recurrent assembly and disassembly of machinery to operate each successive program. It would also seem to have a political disadvantage, because each temporary expedient provides only a temporary solution and each one invites other pressures to alleviate other problems by similar temporary expedients.

For these reasons it would seem to me both more honest and wiser to meet the obviously changed situation which exists today by the means of carefully drawn permanent legislation rather than by continued reliance on an emergency or piecemeal approach year by year.

It is, of course, the responsibility of the Congress under our system of government to determine immigration policy. President Eisenhower has recognized this fact and has repeatedly urged full congressional study of the entire immigration system since the first months of his administration in 1953. However, in the absence of such basic congressional action, the President has also frequently recommended specific remedial legislation to meet the most urgent situations which have arisen over the past 7 years.

The Administration's New Immigration Bill

The President's message of yesterday on this subject is but the latest in the series of recommendations which he has made in this general field. His message basically was limited to two major subjects: a recommendation that the entire quota and national-origins system be restudied and changed, coupled with a specific interim recommendation that quotas be approximately doubled; and a recommendation concerning the urgent need for special refugee legislation in order that the World Refugee Year not become the first year since World War II to find the United States without some special ability to receive a reasonable number of the most meritorious refugee cases.

I believe you might be interested in a very brief analysis of the administration's new immigration bill, introduced as a result of the President's message into the House of Representatives by both Congressman [William E.] Miller of New York [H.R. 11234] and your own Congressman John Lindsay of New York City [H.R. 11235].

First, with regard to the quota itself, present quotas are computed on the basis of the *white* United States population as shown by the 1920 census. The proposed quotas would be computed on the *total* United States population as shown by the 1950 census and, as soon as it is completed, by the 1960 census. The minimum quota for any country would be doubled—from 100 to 200. In addition, unused quota numbers (which generally run around 50,000 per year, primarily from such countries as the United Kingdom and Ireland), which at present are forever lost, would under the new bill be available during the next year for use by persons who come from countries with oversubscribed quotas and who are in preference categories. Further, the distribution of these newly available numbers, rather than being based on the national-origins makeup of the United States as of 1920, would in future be based on the actual immigration into the United States from the various countries over the past 35 years.

Perhaps one or two specific examples would help illustrate the effect of the new bill. The present quota of Italy, for example, is 5,666 persons per year. Based on a most conservative method of figuring, we estimate that the Italian quota, plus its share of unused quota numbers, would be about 30,000 after 1960. The present Japanese quota is 185. We estimate this would rise to about 2,900. The present Polish quota is 6,488. We estimate this would rise to approximately 28,000.

The net result would be that the present quota of 154,887 would be approximately doubled, and would amount to about 300,000.

In addition the proposed legislation would remove the present quota ceiling of 2,000 on the so-called Asia-Pacific triangle and would guarantee that any new political entities which might be created in the world, such as The West Indies federation, would under no circumstances have a lower quota than they had prior to their formation.

The second major section of the proposed bill is the refugee provisions. The bill would define a refugee as an alien who has fled a Communist area or a country in the Middle East to escape

persecution based on race, religion, or political opinion, or who is away from and unable to return to his home because of natural calamities, military operations, or political upheaval, and who is in a non-Communist area and in need of help.

Under the proposed legislation the Attorney General would be permitted to parole into the United States up to 10,000 refugees per year selected by the Secretary of State; and the President by proclamation could permit additional refugees to enter in the same manner by making a special finding that such additional refugees were in need of assistance and that it was in the United States' interest to grant them admission. In addition the Attorney General would be given authority to adjust the status of any refugee so admitted to that of permanent resident after a 2-year period if the refugee had demonstrated good character.

Finally, the new legislation would eliminate the present requirement on our visa applications to ask for information about the applicants' race and ethnic classification—information which we feel serves no useful purpose.

Record of Immigration Proposals

I recognize, of course, that immigration matters, which are of such deep interest to so many persons within this country, are inevitably problems which will arouse political controversy. I recognize that some may say—this being the year of 1960—that the President's message and the bill which I have just been describing are recently conceived proposals for purposes of election-year politics. I would like to point out that the record does not bear this out.

In April 1953, 3 months after his inauguration, President Eisenhower in a letter to Senator Arthur Watkins,[4] who was chairman of the Joint Committee on Immigration and Nationality Policy, recommended congressional study looking toward fundamental revision of the immigration statute. Also in 1953 the President recommended and the Congress passed the Refugee Relief Act.[5] Again in 1956, again in 1957, the President sent major messages to the Congress[6] reiterating and making more explicit his recommendations for revision of the basic immigration law, based on a careful congressional study of the problem. These major messages have been interspersed by a continued reiteration of the President's position on this subject in the intervening years and by his many special messages and recommendations on more specific aspects of the general problem such as his interventions concerning the Hungarian refugee crisis.[7] The President's major message of March 17, 1960, is, therefore, actually only the latest in a continual series that dates back to the earliest days of this administration.

Obviously this latest proposal is not totally different from the President's previous proposals. It would be odd if it were, for they, too, reflected careful thought and detailed study. At the same time, this latest proposal also reflects an awareness of the continually changing circumstances which always have existed and always will exist in this field. I can speak with considerable personal knowledge of the evolution of many of these proposals over the years, for I have been privileged to be associated with such matters in the Department of State since 1953. As you know, the Departments of State and Justice are the two executive agencies most responsible for carrying out United States policy in this field and therefore are the two agencies most responsible for developing technical recommendations.

Based on my experience, however, and as one who is at the "working level" of Government, I also wish to point up the importance, when attempting to move forward in an area such as this, of interested and active leadership from the top levels of the Government. In this field the continued personal interest both of President Eisenhower and of Vice President Nixon has been indispensable, and there are many specific parts of the finished product, in the form of yesterday's message and bill, which reflect the personal ideas and intervention of these two most senior leaders of the administration.

In truth, immigration policy—refugee policy—is not and should not be a partisan issue. It is instead one of the most basic issues of American

[4] For text, see *ibid.*, May 18, 1953, p. 730.

[5] For a statement by President Eisenhower, see *ibid.*, Aug. 17, 1953, p. 201.

[6] For texts, see *ibid.*, Feb. 20, 1956, p. 275, and Feb. 18, 1957, p. 247.

[7] For background, see *ibid.*, Nov. 19, 1956, p. 807, and Dec. 10, 1956, p. 913.

national and international policy. Those who have recognized this fact, whatever their views, have been found in both parties. Those who have exhibited leadership in this field, whatever their views, have also been found in both parties. Given the facts of American politics, I suppose it is too much to hope that such an irresistible subject will ever be removed from partisanship, but at least we can strive to see that the partisan issues interfere as little as possible with the careful study and thoughtful debate which should underlie whatever the United States may do in this field. For assuredly all of us, of all parties and all opinions, must benefit or suffer equally from the results of what is done.

In closing I would like to speak of the merger which is taking place today between the National Council on Naturalization and Citizenship and the American Immigration Conference. This merger is symbolic of the fact that an interest in those who immigrate does not cease with their successful crossing of our borders. Immigration is quite clearly only the first step in a process that will continue until the immigrant has become, in every sense, an American.

We in Government who deal with the official aspects of these problems are deeply conscious of the valuable services performed by such organizations as these two which are about to join. We hope that the new organization will profit both from the experience and wisdom of the Council as well as from the enthusiasm and knowledge of related problems which will be contributed by the much younger sister organization, the Conference.

Many people in Government have had a long and fruitful collaboration with the Council and its activities. Referring to only a few, there are here today Miss [Frances G.] Knight from the Passport Office, who in this sense continues the association initiated by her predecessor, Mrs. [Ruth] Shipley, and Mr. [Frank L.] Auerbach of the Visa Office, both, of course, from the Department of State; from the Immigration Service, Al Devaney, Helen Eckerson, and Ed Rudnick are equally well known to all of you and have worked closely with all of you.

It is my special privilege to bring today the birthday greetings and best wishes for the future to all of you here from both Attorney General Rogers and from Secretary of State Herter, and to these I most sincerely add my own.

Cherry Blossom Festival Highlights U.S.–Japanese Friendship

Remarks by J. Graham Parsons
Assistant Secretary for Far Eastern Affairs [1]

This year, as we meet here at the Japanes lantern to participate in the traditional openin of the National Cherry Blossom Festival, ther are special reasons for calling attention to our tie with Japan. We celebrate in 1960 the centennia of the first Japanese embassy to the United States

The coming of this first diplomatic missio aroused great interest because it was only 6 year earlier that our own Commodore Perry had ob tained the opening of Japan to the outside world The visitors in their ceremonial attire caught th imagination of another great American, Wal Whitman, who was standing in the crowds of Man hattan as they passed. He celebrated their adven in his poem "A Broadway Pageant."

Walt Whitman accurately prophesied the grea mutual benefit which would result from thi inaugural visit. The exposure of Japan to West ern ideas and technology profoundly altered th fabric of Japanese life and her national destiny Today, a century later, Japan has become a grea modern nation with democratic institutions blend ed to suit her ancient heritage, with a thrivin economy opening ever new vistas to her vital industrious people, and with a world view whic emphasizes her determination to live in peace a a good neighbor of other peoples.

We in America, as Whitman foresaw, have als come to admire and benefit from much that i Japanese. These beautiful trees are symbolic o the growing influence of Japanese culture on lif in the United States. Our art, our homes, an our very outlook on life have been subtly influ enced in many ways by the love of nature and o refined simplicity which is so much a part of th Japanese scene. Hundreds of thousands of Amer icans who have lived or traveled in Japan in th postwar years have brought home vivid memorie of a beautiful land and of an enterprising an imaginative people.

There are many reasons to hope that in th years ahead America and Japan will deriv greater benefit than ever from the new relation

[1] Made at the opening ceremonies of the Nationa Cherry Blossom Festival at Washington, D.C., on Apr. (press release 170).

ship between our two countries. Only a few weeks ago, in the East Room of the White House, where a hundred years before President Buchanan had received the first Japanese envoys, President Eisenhower received a Japanese delegation which signed with us a new treaty of mutual cooperation and security.[2] This treaty is a symbol of a new and voluntary association for the defense of our respective ways of life in the troubled world of today. Neither Yukio Ozaki, who gave these cherry trees to the Capital, nor Walt Whitman, seer that he was, could have dreamed of this great and free association of Japan and the United States as we enter the second century of our diplomatic relations. In this anniversary year of 1960 the friendship symbolized by the gift of these cherry trees takes on a new and deeper significance for all of us.

U.S. and Philippines Open Air Transport Negotiations

Press release 172 dated April 5

The Governments of the Republic of the Philippines and the United States will open negotiations for a new air transport agreement at Washington on April 26, 1960. The former agreement[1] was terminated at the request of the Government of the Philippines on March 3, 1960. The composition of the delegations will be determined later.

U.S. and Philippine Presidents Exchange Messages on Sugar Quota

White House press release dated April 4

The White House on April 4 made public the following exchange of telegrams between President Eisenhower and Carlos P. Garcia, President of the Philippines.

President Eisenhower to President Garcia

March 31, 1960

Dear Mr. President: I have received your telegram of March 17 asking that I increase the Philippine sugar quota. As you know, the sugar quotas are determined by Congress and any modification would require Congressional action. Since the Sugar Act of 1948, as amended in 1956, expires this year, Congress is expected to consider its extension during the present session.

The Administration has been giving considerable thought to what recommendations it should make to Congress for its consideration. After weeks of most careful study of this problem, I have concluded that the time is not propitious to recommend any change in the present structure of quotas assigned to foreign countries.

Accordingly, I have recommended to the Congress only certain minimum changes in the present Sugar Act. The most important of these would give me the authority to reduce the quota for a calendar year for any foreign country, except, of course, the Philippines, and to make required replacements from any source when I determine it to be in the national interest or necessary to insure adequate supplies of sugar. I have requested this authority primarily to enable me to protect our sugar consumers should our supplies of sugar from foreign sources be endangered for any reason. The final decision as to whether I am to be given this authority, however, rests with Congress. I regret, therefore, that it has not been possible for me to comply with the wishes of the Philippine sugar producers. I wish to assure you, however, that the position of the Philippines has been given full consideration by the Administration in arriving at the position which I have recommended to Congress.

With assurances of my continued esteem,

Sincerely,

Dwight D. Eisenhower

President Garcia to President Eisenhower

March 17, 1960

President Dwight Eisenhower
The White House, Washington

On behalf of the Filipino people, particularly those in the sugar industry, may I ask Your Excellency to increase the Philippine sugar quota by any amount you deem just and fair. May I state in this connection that present production capacity can absorb two hundred thousand tons more of additional quota. Your generous action on this request will give a tremendous boost to our economy which needs further stabilization.

Assuring you of the lasting gratitude of the Filipinos and of my own, I remain

Very sincerely yours,

President Carlos P. Garcia

[2] For text, see Bulletin of Feb. 8, 1960, p. 179.

[1] Treaties and Other International Acts Series 1577 and 1844.

U.S. To Finance Modernization of Airfield in Liberia

Press release 171 dated April 5

The United States, using special assistance funds under the Mutual Security Program, is planning to finance the modernization of Liberia's principal airport, Roberts Field, to accommodate jet traffic which soon will be inaugurated. The project, to be carried out under normal procedures of the International Cooperation Administration, involves reconstruction and lengthening of the Roberts Field runway to 9,000 feet.

The modernization of Roberts Field to accommodate jet traffic was made necessary by the anticipated increase in traffic through the field as well as the introduction of jet service on West African air routes.

Roberts Field was built during World War II by the U.S. Government for use by the United States Ferry Command. Until 1954 the airfield was operated and maintained from U.S. Air Force funds. The field is now being operated as a commercial field by the Liberian Government.

Congressional Documents Relating to Foreign Policy

86th Congress, 2d Session

Greater Cooperation Among Atlantic Democracies. Hearing before the Senate Foreign Relations Committee on S. Con. Res. 17. January 19, 1960. 56 pp.

Conditions in the Soviet Union: the "New Class." Hearing before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Senate Judiciary Committee. Further testimony of Aleksandr Y. Kaznacheyev. January 22, 1960. 42 pp.

North American Regional Broadcasting Agreement and the Mexican Broadcasting Agreement. Hearing before the subcommittee of the Senate Foreign Relations Committee on S. Ex. A, 82d Congress, 1st session, and S. Ex. G, 85th Congress, 1st session. Part 2. January 24, 1960. 149 pp.

Compulsory Jurisdiction, International Court of Justice. Hearings before the Senate Foreign Relations Committee on S. Res. 94, a resolution to amend S. Res. 196, 79th Congress, 2d session, relating to the recognition of the jurisdiction of the International Court of Justice in certain legal disputes. January 27–February 17, 1960. 520 pp.

Communist Leadership: "Tough Guy" Takes Charge. Hearings before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Senate Judiciary Committee. Testimony by and about Gus Hall. February 2–3, 1960. 93 pp.

Latin America: Venezuela, Brazil, Peru, Bolivia, and Panama. Report of Senator George D. Aiken on a study mission to the Senate Foreign Relations Committee. February 2, 1960. 17 pp. [Committee print]

The Eleventh Semiannual Report on Activities Carried on Under Public Law 480, 83d Congress, as amended. Report outlining operations under the act during the period July 1 through December 31, 1959. H. Doc. 335. February 11, 1960. 76 pp.

Commonwealth Parliamentary Association Meeting, Canberra, Australia, 1959. Report of the delegation appointed to attend the meeting, November 6–7, 1959. S. Doc. 83. February 16, 1960. 22 pp.

Mutual Security Act of 1960. Hearings before the House Foreign Affairs Committee on draft legislation to amend further the Mutual Security Act of 1954, as amended, and for other purposes. Part 1. February 17–29, 1960. 197 pp.

Special Report of the National Advisory Council on the Proposed International Development Association. Message from the President transmitting the report. H. Doc. 345. February 18, 1960. 50 pp.

National Policy Machinery in Communist China. Report of the Senate Committee on Government Operations made by its Subcommittee on National Policy Machinery. S. Rept. 1096. February 19, 1960. 28 pp.

South America: Argentina, Bolivia, Brazil, Chile, Colombia, and Venezuela. Report of Senator Wayne Morse on a study mission to the Senate Foreign Relations Committee. February 20, 1960. 38 pp. [Committee print]

United Nations Action on Disarmament: A Survey of the Debate and Resolutions of the Fourteenth Session of the General Assembly (September-November 1959). Prepared by the Subcommittee on Disarmament of the Senate Foreign Relations Committee. February 22, 1960. 14 pp. [Committee print]

Temporary Tariff Treatment of Chicory. Report to accompany H.R. 9308. H. Rept. 1287. February 22, 1960. 2 pp.

Temporary Suspension of Duty on Certain Shoe Lathes. Report to accompany H.R. 9862. H. Rept. 1288. February 22, 1960. 2 pp.

Organizing for National Security. Hearings before the National Policy Machinery Subcommittee of the Senate Government Operations Committee. Part 1. February 23–25, 1960. 235 pp.

U.S. Citizens Commission on NATO. Report to accompany S. J. Res. 170. S. Rept. 1122. February 23, 1960. 4 pp.

United States Aid Program in Vietnam. Report by the Subcommittee on State Department Organization and Public Affairs to the Senate Foreign Relations Committee. February 26, 1960. 60 pp. [Committee print]

Authorizing Service by Canadian Vessels to Southeastern Alaska. Report to accompany S. 2773. S. Rept. 1138. February 26, 1960. 3 pp.

Providing for the Care and Treatment of Returning Nationals of the United States Who Became Mentally Ill in a Foreign Country. Report to accompany S. 2331. S. Rept. 1143. February 27, 1960. 8 pp.

United States–Latin American Relations: Soviet Bloc Latin American Activities and Their Implications for United States Foreign Policy. A study prepared at the request of the Subcommittee on American Republic Affairs of the Senate Foreign Relations Committee by Corporation for Economic and Industrial Research. No. 7. February 28, 1960. 127 pp. [Committee print]

Authorizing the Acquisition of Land for Donation to the Pan American Health Organization as a Headquarters Site. Report to accompany H.R. 7579. H. Rept. 1300. March 1, 1960. 6 pp.

Report on Audit of the Development Loan Fund for the Fiscal Year Ended June 30, 1959. H. Doc. 350. March 1, 1960. 57 pp.

Security Council Calls for Adherence to U.N. Principles in South Africa

On March 30 the Security Council adopted on its agenda an item requested by 29 African and Asian delegations urging consideration of the "situation arising out of the large-scale killings of unarmed and peaceful demonstrators against racial discrimination and segregation in the Union of South Africa." [1] *Following are two statements made by Henry Cabot Lodge, U.S. Representative, and the text of a resolution adopted on April 1.*

STATEMENT OF MARCH 30

U.S./U.N. press release 3375

The United States supported adoption of the agenda and would like to set forth our reasons why.

Our position on this question was expressed clearly in Washington by Secretary of State Herter last Friday.[2] At that time he stated that the United States favored Security Council discussion of this question. In so doing he pointed out that the United States has followed the same policy on the discussion of *apartheid* in the General Assembly for the last 5 years.[3]

Since various comments have been made on the question of competence, let me state briefly our view of this matter.

The United States views on the interpretation and application of article 2 (7) of the charter have been clearly established. I myself stated in the discussion of the question of Tibet at the last session of the General Assembly:[4]

> In the years since the establishment of the United Nations certain principles and rules concerning the application of article 2, paragraph 7, have emerged. It has become established, for example, that inscription and then discussion of an agenda item do not constitute intervention in matters which lie essentially within domestic jurisdiction.

We hold the same view with respect to the Security Council that we do in the General Assembly.

When a question such as the present one is involved, article 2(7) must be read in the light of articles 55 and 56.

Under articles 55 and 56 of the charter all members of the United Nations have pledged themselves to promote universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion. During the 13th General Assembly the United States Representative in the Special Political Committee, Mr. George Harrison, expressed United States policy on these articles in connection with the *apartheid* discussions on October 16, 1958:[5]

> No member of this organization could justifiably seek purposely to escape its pledge. No member could justifiably be excused from endeavoring to fulfill it. We believe that the United Nations can legitimately call attention to policies of member governments which appear to be inconsistent with obligations under the charter and earnestly to ask members to abide by the undertakings that they have accepted in signing the charter.
>
> We all recognize that every nation has the right to regulate its own internal affairs. This is a right acknowledged by article 2, paragraph 7, of the charter. At the same time we must recognize the right—and the obligations—of the United Nations to be concerned with national policies insofar as they affect the world community. This is particularly so in cases where international obligations embodied in the charter are concerned.

[1] U.N. doc. S/4279 and Add. 1.

[2] BULLETIN of Apr. 11, 1960, p. 551.

[3] For a statement made by Harold Riegelman, U.S. Representative, during the 14th session of the General Assembly, see *ibid.*, Dec. 28, 1959, p. 948.

[4] *Ibid.*, Nov. 9, 1959, p. 684.

[5] *Ibid.*, Nov. 24, 1958, p. 842.

The United States regrets profoundly the tragic loss of life in South Africa. Twenty-nine member states have brought this situation before the Council, stating that they consider it to have grave potentialities for international friction which endangers the maintenance of international peace and security. What this means is that in their view this situation is not only within the scope of articles 55 and 56 but also of articles 34 and 35. Such widespread concern testifies to the desirability of the Council considering the problem.

Let me say to the members of the Council that the United States approaches this question with no false pride at all. We recognize that many countries, and the United States must be included in that list, cannot be content with the progress which they have made in the field of human rights and that we must continue our efforts as we are doing to provide full equality of opportunity for all of our citizens.

In many countries unsanctioned violations of human rights continue to occur. But we think there is an important distinction between situations where governments are actively promoting human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion and situations where governmental policy runs counter to this.

The question we are asked to consider today has its own particular background of geography, racial composition, cultural diversity, and economic relationships. Even difficulties of this sort do not relieve a government of its obligations, nor can they relieve the United Nations of its responsibilities. We think this question is a proper one for United Nations consideration and therefore supported the adoption of the agenda.

STATEMENT OF APRIL 1

U.S./U.N. press release 3376

On Monday, March 21, in various parts of the Union of South Africa, people of African origin carried out mass demonstrations against laws which require them to carry passes. These demonstrations led to clashes with the police. According to figures made public by the South African mission to the United Nations, at least 68 Africans were killed and over 220 were injured.

The tragic events that day and subsequently have caused shock and distress beyond the borders of South Africa. Within the Union of Sout Africa a state of acute tension prevails. All thes facts together constitute the immediate and com pelling cause of this meeting of the Securit Council.

The situation before the Council is of deep con cern to the United States. We say this becaus our primary desire is to help promote within th framework of the charter the objectives of th United Nations.

The framers of the charter took a historic for ward step when they included among the purpose of the United Nations the achievement of inter national cooperation in promoting and encourag ing respect for human rights and fundamenta freedoms for all without distinction as to race, sex language, or religion. The United States sup ported wholeheartedly this important innovatio in the charter. Its newness and importance as concept in international life make it essential fo all of us to approach sympathetically and con structively the question now before the Securit Council.

United States representatives have often state in General Assembly discussions our belief tha the Assembly can properly consider questions o racial discrimination where they are matters o governmental policy. The United States believe that in this case also the charter provides a defi nite basis for Security Council consideration.

When governmental policies within one coun try evoke the deep concern of a great part o mankind, they inevitably contribute to tensio among nations. This is especially true of racia tensions and the violence which sometimes results They are more subtle and more complex than som of the political disputes between states which th Council has considered. But in the long run the may be even more destructive to the peace o mankind.

We deeply deplore the loss of life which ha taken place in South Africa. We appeal to al the people in South Africa to abjure violence an to proceed hereafter only by peaceful means Tensions among the people living in South Afric ought to be peacefully relaxed. Violence is de plorable and dangerous no matter from what rac or group the victims may come. As we survey th events which are taking place in South Africa, w are confirmed in our view that violence can onl make matters worse.

It is clear that the source of the conflict from which the recent tragic events have flowed is the policy of *apartheid* followed by the Government of the Union of South Africa. The United Nations is no stranger to this question. The General Assembly has pronounced itself repeatedly in opposition to the policy of *apartheid* and similar practices. Last year once again the Assembly, by an overwhelming vote, including that of the United States, noted the continuance of the *apartheid* policy in the Union of South Africa and made a solemn appeal for the observance of the human rights provisions of the charter.

In the circumstances confronting us today we appeal once again to the Government of the Union of South Africa, with the greatest sincerity and friendly intent, that it reconsider policies which prevent people of certain races in the Union from enjoying their God-given rights and freedoms. In former years we have made that appeal in the name of justice. Today we make it also in the name of peace. Truly, as we see it here now, the two are in the long run inseparable.

Africa is a continent where all the races mingle together. For the most part they enjoy happy and fruitful relationships. The goal in Africa, as everywhere, must be to end the domination of group by group so that members of all races will feel secure.

We acknowledge that the problem of creating a stable society of diverse racial groups anywhere is difficult. It takes many decades, indeed many generations, to allay anxieties and remove tensions.

But it is not too late, we think, to reverse the tide in South Africa. We are glad to note that the Government of the Union of South Africa has relaxed the enforcement of the pass laws which were the immediate grievance of the demonstrators. We hope other steps are on the way which will lead to a general improvement of the situation.

Now, Mr. President, we confront a draft resolution submitted by the representative of Ecuador which points a constructive way for the Council to proceed. This draft represents a serious and responsible reflection of the views which have been expressed in the Council. It deplores the loss of lives in the recent disturbances in South Africa, and it extends to the many families of the victims the deepest sympathies of the Council. It calls upon the Government of South Africa to initiate measures aimed at bringing about racial harmony based on equality. It also provides that the Secretary-General through his great skill and resourcefulness should make arrangements which will "help in upholding the purposes and principles of the Charter." This I think is a constructive step. It seeks to build a bridge and not a wall. That is what we should try to do.

The United States will vote for this resolution. We hope the actions of the Council will be taken by those concerned in the spirit in which it is intended—to encourage the peaceful evolution of a society in South Africa in which men of all races can live together in harmony, with mutual respect for the different cultures and ways of life which now exist there.

TEXT OF RESOLUTION[6]

The Security Council,

Having considered the complaint of 29 Member States contained in document S/4279 and Add. 1 concerning "the situation arising out of the large-scale killings of unarmed and peaceful demonstrators against racial discrimination and segregation in the Union of South Africa",

Recognizing that such a situation has been brought about by the racial policies of the Government of the Union of South Africa and the continued disregard by that Government of the resolutions of the General Assembly calling upon it to revise its policies and bring them into conformity with its obligations and responsibilities under the Charter,

Taking into account the strong feelings and grave concern aroused among Governments and peoples of the world by the happenings in the Union of South Africa,

1. *Recognizes* that the situation in the Union of South Africa is one that has led to international friction and if continued might endanger international peace and security;

2. *Deplores* that the recent disturbances in the Union of South Africa should have led to the loss of life of so many Africans and extends to the families of the victims its deepest sympathies;

3. *Deplores* the policies and actions of the Government of the Union of South Africa which have given rise to the present situation;

4. *Calls upon* the Government of the Union of South Africa to initiate measures aimed at bringing about racial harmony based on equality in order to ensure that the present situation does not continue or recur and to abandon its policies of apartheid and racial discrimination;

5. *Requests* the Secretary-General, in consultation with the Government of the Union of South Africa, to make such arrangements as would adequately help in upholding the purposes and principles of the Charter and to report to the Security Council whenever necessary and appropriate.

[6] U.N. doc. S/4300; adopted on Apr. 1 by a vote of 9 to 0, with 2 abstentions (France, U.K.).

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Economic and Social Council

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Economic Commission for Asia and the Far East. Activities of the Food and Agriculture Organization of Special Interest to the Economic Commission for Asia and the Far East. E/CN.11/522. February 1, 1960. 13 pp.

Commission on Human Rights. Declaration on the Right of Asylum: Comments of Governments. E/CN.4/793/Add. 2. February 5, 1960. 6 pp.

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Statistical Commission. The Measurement of Gross Domestic Capital Formation in Under-developed Countries. E/CN.3/265. February 16, 1960. 22 pp.

Economic Development of Under-developed Countries: Work Programme on Industrialization. Progress report and proposals for future works submitted by the Secretary-General. E/3328. February 24, 1960. 17 pp.

Question of a Declaration on Freedom of Information: Comments of Governments. E/3323/Add. 2. February 25, 1960. 4 pp.

Statistical Commission. The Statistical Unit in Economic Inquiries. E/CN.3/259. February 25, 1960. 58 pp.

The Promotion of the International Flow of Private Capital. Progress Report by the Secretary-General. E/3325, February 26, 1960, 96 pp., and Corr. 1, March 7, 1960, 2 pp.

Commission on the Status of Women. Consent to Marriage, Age of Marriage and Registration of Marriages. E/CN.6/356/Add. 1. March 1, 1960, 46 pp.

[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

TREATY INFORMATION

U.S. and Rumania Sign Agreement Relating to Financial Questions

Press release 159 dated March 30

DEPARTMENT ANNOUNCEMENT

An agreement relating to outstanding financia questions between the United States and Rumanis was signed at Washington on March 30 by Foy D. Kohler, Assistant Secretary of State, repre sentative of the Government of the United States and Radu Manescu, Deputy Minister of Finance representative of the Government of the Ruma nian People's Republic. The negotiations whicl led to the signing of the agreement began on No vember 16, 1959.[1]

The agreement provides for the settlement on lump-sum basis of claims of U.S. nationals arisin out of war damage, nationalization, and com mercial and financial debts as described in article I and II. The lump-sum settlement of $24,526,37 includes $22,026,370 in assets of the Rumanian Government and Rumanian corporations whicl were blocked in the United States during the wa and $2,500,000 which is to be paid by the Ru manian Government to the United States Govern ment in five installments between July 1, 1960, an July 1, 1964.

The adjudication of certain American claim against Rumania, as provided in Public Law 28 84th Congress, was completed by the Foreig Claims Settlement Commission of the Unite States on August 9, 1959. In accordance wit Public Law 285, awards of the Commission hav been certified to the U.S. Treasury for paymen and certain payments have already been made ou of the assets referred to above.

The agreement also provides for the unblockin by the U.S. Government of assets of natural pe sons residing in Rumania. By an exchange o letters between the heads of the two delegation it was agreed that the transmission to payees i Rumania of U.S. Treasury checks will be resume

[1] For background, see BULLETIN of Nov. 23, 1959, p. 76

AGREEMENT AND EXCHANGE OF LETTERS

Text of Agreement

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE RUMANIAN PEOPLE'S REPUBLIC RELATING TO FINANCIAL QUESTIONS BETWEEN THE TWO COUNTRIES

The Government of the United States of America and the Government of the Rumanian People's Republic having reached an understanding on the financial matters specified herein have agreed as follows:

ARTICLE I

(1) The Government of the United States of America and the Government of the Rumanian People's Republic agree that the lump sum of $24,526,370, as specified in Article III, will constitute full and final settlement and discharge of the claims described below:

(a) Claims for the restoration of, or payment of compensation for, property, rights and interests of nationals of the United States of America, as specified in Articles 4 and 25 of the Treaty of Peace with Rumania which entered into force on September 15, 1947.

(b) Claims for the nationalization, compulsory liquidation, or other taking, prior to the date of this Agreement of property, rights and interests of nationals of the United States of America in Rumania; and

(c) Claims predicated upon obligations expressed in currency of the United States of America arising out of contractual or other rights acquired by nationals of the United States of America prior to September 1, 1939, and which became payable prior to September 15, 1947.

(2) The term "nationals of the United States of America" as used in subparagraphs (a), (b) and (c) above refers to nationals who possessed United States nationality;

(a) for the purpose of subparagraph (a) on both September 12, 1944 and September 15, 1947;

(b) for the purpose of subparagraph (b) on the effective date of nationalization, compulsory liquidation, or other taking;

(c) for the purpose of subparagraph (c) on September 1939.

ARTICLE II

The claims of nationals of the United States of America to which reference is made in paragraph (1) of Article are those with respect to property, rights and interests covered by subparagraphs (a) and (b) of that paragraph and with respect to obligations covered by subparagraph (c) of the same paragraph which were:

(a) directly owned by individuals who were nationals of the United States of America (for this purpose ownership through a partnership or an unincorporated association being considered direct ownership);

(b) directly owned by a corporation or other legal entity organized under the laws of the United States of America or a constituent state or other political entity thereof, if more than fifty per centum of the outstanding capital stock or other beneficial interest in such legal entity was owned directly or indirectly by natural persons who were nationals of the United States of America; or

(c) indirectly owned by individuals or corporations within subparagraphs (a) or (b) of this Article through interests, totalling twenty-five per centum or more, in a Rumanian legal entity.

ARTICLE III

The sum of $24,526,370 referred to in Article I of this Agreement shall be made up as follows:

(a) The proceeds resulting from the liquidation of assets in the United States of America which were subject to wartime blocking controls and which belonged to the Rumanian Government and its nationals, other than natural persons, amounting in value to $22,026,370.

(b) A sum of $2,500,000 which shall be paid by the Government of the Rumanian People's Republic to the Government of the United States of America in five in-

Trade Relations With Rumania

Department Statement [1]

Press release 158 dated March 30

In the course of negotiations between representatives of the Government of the United States and the Government of the Rumanian People's Republic for the conclusion of an agreement concerning financial questions between the two countries, it was mutually agreed that a settlement of these questions would contribute to the development of conditions favorable for increased trade between the two countries.

With the conclusion today of the agreement between the United States of America and the Rumanian People's Republic, relating to financial questions, the two Governments affirm their desire to see an expansion of peaceful trade between the two countries. In this connection the two Governments have agreed to exchange and to disseminate by appropriate means information concerning opportunities for trade between the two countries. They have agreed also to facilitate travel to their countries by commercial representatives and officials of the other country. As conditions permit, the two Governments will give consideration to such additional measures as will contribute to the development of expanded trade relations between the United States and Rumania.

The Governments of the United States of America and the Rumanian People's Republic welcome the possibility of creating through such efforts favorable conditions for the expansion of peaceful trade and the development of more normal trade relations which should also serve as a means of increasing contacts between the peoples of the two countries.

[1] An identical statement was released by the Rumanian Government on Mar. 31.

stallments, each of which shall be in the amount of $500,000. The first installment shall be paid on July 1, 1960. The four remaining installments shall be paid on July 1, 1961, July 1, 1962, July 1, 1963, and July 1, 1964, respectively.

ARTICLE IV

As from the date of this Agreement, the Government of the United States of America will not pursue or present to the Government of the Rumanian People's Republic claims falling within the categories set forth in paragraph (1) of Article I of this Agreement, without regard to whether the claimants qualify under paragraph (2) of Article I and Article II of this Agreement, or claims predicated upon obligations expressed in other than currency of the United States of America arising out of contractual or other rights acquired and payable prior to the date of this Agreement.

ARTICLE V

The distribution of the lump sum referred to in paragraph (1) of Article I of this Agreement falls within the exclusive competence of the Government of the United States of America in accordance with its legislation, without any responsibility arising for the Government of the Rumanian People's Republic therefrom.

ARTICLE VI

The Government of the United States of America will release within 30 days of the date of this Agreement its blocking controls over all Rumanian property in the United States of America.

ARTICLE VII

The present Agreement shall come into force upon the date of signature.

DONE at Washington on March 30, 1960, in duplicate, in the English and Rumanian languages, both texts being equally authentic.

For the Government of the United States of America:

FOY D. KOHLER

For the Government of the Rumanian People's Republic:

R. MĂNESCU

Exchanges of Letters

U.S. LETTER ON INTERPRETATION OF ARTICLE III

WASHINGTON, *March 30, 1960*

EXCELLENCY: I have the honor to refer to the provisions of paragraph (a) of Article III of the Agreement signed on this date. In connection with the discussions that have taken place concerning this Article, I wish to inform you that the Government of the United States of America will inform the Government of the Rumanian People's Republic of the final figure representing the value of the proceeds resulting from the liquidation of assets in the United States of America which were subject to wartime blocking controls and which belonged to the Rumanian Government and its nationals, other than natural persons, when this is determined by the appropriate United States agencies. It is understood that any possible di ferences between the figure set out in paragraph (a) Article III and the final figure furnished by the Unite States Government will not give rise to or affect ar rights or obligations between the two Governments.

I shall appreciate receiving Your Excellency's co firmation of the above understanding.

Accept, Excellency, the assurances of my highe consideration.

FOY D. KOHLER
Chairman

His Excellency
RADU MANESCU,
Chairman, Delegation of the Rumanian People's Republ

RUMANIAN REPLY

WASHINGTON, *March 30, 1960*

EXCELLENCY: I have the honor to acknowledge recei of your letter of this date which reads as follows:

[text of U.S. letter]

I have the honor to confirm that I fully agree with t understanding expressed above.

Accept, Excellency, the assurances of my highe consideration.

R. MĂNESCU
Chairman

His Excellency
FOY D. KOHLER,
Chairman, Delegation of the United States of Ameri

RUMANIAN LETTER ON TRANSMISSION OF U.S. TREASU CHECKS TO RUMANIA

WASHINGTON, *March 30, 1960*

EXCELLENCY: I have the honor to refer to the rece discussions between representatives of the Government the Rumanian People's Republic and the Government the United States of America regarding the restricti contained in the regulation of the Government of t United States of America known as Treasury Departme Circular 655 concerning the transfer of money fr United States public funds to payees in Rumania.

In this connection I wish to inform you that:

(a) The Government of the Rumanian People's Repu lic places no obstacles or limitations preventing recipie of allowances, social security payments, military pensi or other payments by the United States authorities, fr holding checks for such payments in accordance with isting regulations of the Rumanian People's Repub and from converting them at the most favorable prev ing rate for remittances to private persons, at presen lei to the dollar plus 6 lei representing an exchange p mium of 100%.

(b) The Government of the Rumanian People's Rep lic places no obstacles in the way of beneficiaries Rumania who may have various claims against Uni States remitting agencies (such as the Social Secur Administration, the Veterans Administration, and a other agencies concerned) furnishing such agencies su information and documentation as may be required

United States law in connection with these claims and communicating directly or indirectly with respect to these matters with the American authorities concerned.

In accordance with the understanding we have reached, I will appreciate receiving your confirmation that the Government of the United States of America, taking into account the above assurances, agrees to remove the restrictions contained in Treasury Department Circular 655.

Accept, Excellency, the assurances of my highest consideration.

R. MĂNESCU
Chairman

U.S. REPLY

WASHINGTON, *March 30, 1960*

EXCELLENCY: I have the honor to acknowledge receipt of your letter of this date which reads as follows:

[text of Rumanian letter]

I hereby confirm that, in view of the assurances contained in your letter, the Government of the United States of America will amend Circular No. 655 issued by the Secretary of the Treasury of the United States of America, so as to remove the restriction on the transfer of money from United States public funds to payees in Rumania.

Accept, Excellency, the assurances of my highest consideration.

FOY D. KOHLER
Chairman

U.S. LETTER ON RUMANIAN DOLLAR BOND OBLIGATIONS

WASHINGTON, *March 30, 1960*

EXCELLENCY: I have the honor to refer to the Agreement signed today between the Governments of the United States of America and the Rumanian People's Republic relating to financial questions between our countries.

The Government of the United States of America has taken note of your proposal to include within this Agreement the dollar bond obligations issued or guaranteed by the Rumanian State, owned by American nationals and payable in the United States of America.

The Government of the United States of America has not been in a position to agree to your proposal, *inter alia*, since it follows the practice of leaving such matters for negotiation between the debtor government and the bondholders or their representatives.

It is my understanding that the Government of the Rumanian People's Republic, by putting forward the proposal mentioned above, has taken note of the outstanding Rumanian dollar bond obligations, and it expresses its intention to settle these obligations with the bondholders or their representatives.

At the same time, I wish to confirm that the Government of the United States of America considers the question of the dollar bond obligations to be separate and distinct from and without effect on the other matters within the scope of the Agreement signed today.

I shall appreciate receiving your Excellency's confirmation of the above understanding.

Accept, Excellency, the assurances of my highest consideration.

FOY D. KOHLER
Chairman

RUMANIAN REPLY

WASHINGTON, *March 30, 1960*

EXCELLENCY: I have the honor to acknowledge receipt of your letter of this date which reads as follows:

[text of U.S. letter]

I have the honor to confirm that I fully agree with the understanding expressed above.

Accept, Excellency, the assurances of my highest consideration.

R. MĂNESCU
Chairman

Current Actions

MULTILATERAL

Aviation

International air services transit agreement. Done at Chicago December 7, 1944. Entered into force for the United States February 8, 1945. 59 Stat. 1693.
Acceptance deposited: Republic of Cameroun, March 30, 1960.

Narcotics

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.[1]
Ratification deposited: Union of South Africa, March 9, 1960.

Telecommunications

North American regional broadcasting agreement and final protocol. Signed at Washington November 15, 1950. Enters into force 15 days after the deposit of ratification or adherence by at least three of the following four countries, Canada, Cuba, Mexico, and the United States.
Ratifications deposited: Cuba, February 17, 1953; Canada (with a reservation), April 7, 1957; United States, April 4, 1960.
Entered into force: April 19, 1960.

BILATERAL

Japan

Agreement for a third-country technical assistance training program in Japan. Effected by exchange of notes at Tokyo March 23, 1960. Entered into force March 23, 1960.

Netherlands

Agreement relating to a weapons production program. Effected by exchange of notes at The Hague March 24, 1960. Entered into force provisionally March 24, 1960. Enters into force definitively on the date the United States is notified that the approval constitutionally required in the Netherlands has been obtained.

[1] Not in force.

New Zealand

Agreement providing for a grant to assist in the acquisition of nuclear research and training equipment and materials. Effected by exchange of notes at Wellington March 23, 1960. Entered into force March 23, 1960.

United Arab Republic

Agreement amending the agricultural commodities agreement of December 24, 1958, as amended (TIAS 4147, 4223, and 4333). Effected by exchange of notes at Cairo March 26, 1960. Entered into force March 26, 1960.

Agreement supplementing the agricultural commodities agreement of July 29, 1959 (TIAS 4283). Effected by exchange of notes at Cairo March 26, 1960. Entered into force March 26, 1960.

Zanzibar

Parcel post agreement and regulations of execution. Signed at Zanzibar October 20 and at Washington December 30, 1959.
Enters into force: May 1, 1960.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Surplus Agricultural Commodities—Purchases for Syrian Pounds. TIAS 4357. 7 pp. 10¢.

Agreement between the United States of America and the United Arab Republic—Signed at Cairo November 14, 1959. Entered into force November 14, 1959. With exchange of notes.

Certificates of Airworthiness for Imported Aircraft. TIAS 4358. 6 pp. 5¢.

Agreement between the United States of America and Australia. Exchange of notes—Signed at Washington November 20, 1959. Entered into force November 20, 1959.

United States Educational Commission in Sweden. TIAS 4359. 3 pp. 5¢.

Agreement between the United States of America and Sweden, amending agreement of November 20, 1952. Exchange of notes—Signed at Stockholm November 20, 1959. Entered into force November 20, 1959.

Sale of Military Equipment, Materials, and Services—Assurances. TIAS 4367. 2 pp. 5¢.

Agreement between the United States of America and Liberia. Exchange of notes—Signed at Monrovia April 10 and July 19, 1958. Entered into force July 19, 1958.

Guaranty of Private Investments. TIAS 4368. 4 pp. 5¢.

Agreement between the United States of America and India, supplementing agreement of September 19, 1957. Exchange of notes—Signed at Washington December 7, 1959. Entered into force December 7, 1959.

Interchange of Patent Rights and Technical Information for Defense Purposes. TIAS 4369. 15 pp. 10¢.

Agreement between the United States of America and the Federal Republic of Germany. Exchange of notes—Signed at Bonn March 9 and May 23, 1959. Entered into force May 26, 1959. With related note—Signed at Bonn July 31, 1959.

Grant for Procurement of Nuclear Research and Training Equipment and Materials. TIAS 4371. 4 pp. 5¢.

Agreement between the United States of America and China. Exchange of notes—Signed at Washington October 16 and December 2, 1959. Entered into force December 2, 1959.

Mutual Defense Assistance—Special Project of Assistance. TIAS 4372. 5 pp. 5¢.

Agreement between the United States of America and Turkey. Exchange of notes—Signed at Ankara November 30, 1959. Entered into force November 30, 1959.

Mutual Defense Assistance. TIAS 4373. 4 pp. 5¢.

Agreement between the United States of America and Belgium, amending annex B to agreement of January 27, 1950. Exchange of notes—Signed at Brussels October 27 and December 1, 1959. Entered into force December 1, 1959.

Surplus Agricultural Commodities. TIAS 4375. 9 pp. 10¢.

Agreement between the United States of America and Uruguay, supplementing agreement of February 20, 1959, as supplemented. Signed at Montevideo December 1, 1959. Entered into force December 1, 1959. With exchange of notes.

Check List of Department of State Press Releases: April 4–10

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases issued prior to April 4 which appear in this issue of the BULLETIN are Nos. 158 and 159 of March 30 and 166 of April 1.

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*168	4/4	Cultural exchange (Argentina).
169	4/4	Program for visit of King and Queen of Nepal (rewrite).
170	4/5	Parsons: Cherry Blossom Festival.
171	4/5	Airport improvements in Liberia.
172	4/5	Air transport talks with Philippines.
*173	4/5	Revisions to program for visit of President of Colombia.
*174	4/7	Barrows nominated ambassador to Cameroun (biographic details).
175	4/7	Planning expert goes to Agadir, Morocco (rewrite).
*176	4/7	Revisions to program for visit of President of Colombia.
†177	4/7	Satterthwaite: "Our Role in the Quickening Pace Toward Independence in Africa."
178	4/8	Panama credentials (rewrite).
179	4/8	Herter: news conference.
180	4/8	Reply to Chilean students' letter to President Eisenhower.
*181	4/9	Schedule of foreign ministers meeting.
†182	4/8	Rubottom: "Toward Better Understanding Between the United States and Latin America."

*Not printed.
†Held for a latter issue of the BULLETIN.

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This volume contains documents of the period 1955 to 1959 covering the principal developments leading to the May 1960 Paris Conference of the Heads of Government of the United States, the United Kingdom, France, and the Soviet Union. A narrative summary, which precedes the documents, refers to the Heads-of-Government meetings held during World War II and reviews briefly the relations between the Soviet Union and the Western Powers in the early postwar years. It deals more fully with those relations for the period beginning with the Geneva Summit Conference of July 1955.

The documents, all of which have been released previously, include diplomatic communications exchanged by the several governments; a number of official declarations and communiqués; various proposals and statements made at the Heads-of-Government Conference of July 1955 and at the Foreign Ministers Conferences of October–November 1955 and May–August 1959; messages exchanged by President Eisenhower and Soviet Chairmen Nikolai Bulganin and Nikita S. Khrushchev; and press statements and addresses of importance made by President Eisenhower, Chairman Khrushchev, Secretaries of State Dulles and Herter, and others.

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THE DEPARTMENT OF STATE

Bulletin

VOL. XLII, No. 1088 • PUBLICATION 6984

May 2, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Some Economic Aspects of U.S. Foreign Policy

by Under Secretary Dillon[1]

It is a privilege to be here tonight and to see once again many members of the Virginia State Chamber whom I had the pleasure of meeting during your 1956 tour of Europe, when I was Ambassador to France.

The Virginia State Chamber is unique in its sponsorship over the past decade of visits to key world capitals. These visits, which you so aptly describe as "ventures in understanding," are truly important.

Never before in history have the personal lives of Americans been so directly and so gravely affected by the actions of other peoples and other nations. We can maintain our position in the world only if our citizens devote time and effort to understanding the pressing international problems of the day. The United States must face these problems boldly and courageously if we are to survive as a free and prosperous nation.

It is particularly important that your next venture in understanding takes you this summer to the Soviet Union, where you will have a first-hand look at the new face of communism under Premier Khrushchev.

Within the Soviet Union this new face is characterized by an easing of terroristic repression, some decentralization of power and authority, and increases in living standards sufficient to maintain the incentives of the Soviet people and lend credence to Communist promises of future abundance.

Its outward aspects are calls for total disarmament and for an easing of world tensions—both to be accomplished on Communist terms—accompanied by challenges to the industrialized nations of the free world to compete in what Soviet leaders call "peaceful coexistence." When Soviet leaders talk of "peaceful coexistence," they mean competition under their rules—with all the advantages accruing to communism.

Communism's new face is supported by enormous and growing military power and by a high rate of economic growth. Because Soviet rulers now appear to recognize the dangers of general war, they are increasingly anxious to realize their expansionist ambitions through nonmilitary tactics—through diplomacy, trade, economic aid, propaganda, and subversion. They are concentrating upon economic and technical achievements and counting on material progress in the Soviet Union to act as a powerful example and magnet in the free world's newly developing areas.

No matter what the nature of Soviet tactical maneuvering in the years ahead, "coexistence" will be marked by unrelenting Communist determination and pressure to subvert and control all other states. For their goal, as every Soviet leader from Lenin to Khrushchev has openly proclaimed, is a world in which only communism shall prevail.

In pursuit of this goal the Soviet Union has mounted a determined and resourceful drive to penetrate, influence, and eventually capture the newly developing countries of Asia, Africa, and Latin America, utilizing skillful propaganda and trade-and-aid techniques. The hundreds of millions of underprivileged peoples in these areas are no longer content merely to exist. They know that there is a better way of life than their age-old poverty, disease, and ignorance. They are determined to improve their lot. The Soviet bloc seeks to capitalize on this surge for economic and social

[1] Address made before the Virginia State Chamber of Commerce at Roanoke, Va., on Apr. 15 (press release 195).

progress and is giving major attention to the newly developing areas in its announced drive to conquer the world by all means short of war.

Communist Economic Offensive

This side of communism's new face began emerging after the death of Stalin in 1953. Previously Soviet leaders had made it abundantly clear that they couldn't care less about the progress of the newly developing areas. Mindful, however, of the success of our trade and aid programs in keeping nations weakened by World War II from falling into the Communist orbit, the Soviet bloc has trained its sights on selected target countries which it considers most vulnerable to Communist blandishments.

Beginning modestly with $11 million in 1954, the Sino-Soviet bloc has rapidly raised its annual levels of economic aid to free-world countries. Last year nearly a billion dollars was added. By the close of 1959 bloc commitments of economic aid totaled $2½ billion. So far this year nearly six hundred million more dollars has been committed.

About 90 percent of these totals has been concentrated on only 13 countries in Asia and Africa. The bloc has enhanced the effectiveness of its assistance by making quick, long-term, lump-sum agreements and by concentrating on projects which have a visual political and psychological impact.

Communist aid offers have typically involved both the sending of bloc technicians to newly developing countries and the training of nationals of these countries in bloc institutions. In 1959 there were more than 5,000 nonmilitary Communist technicians in newly developing areas. During the past 4 years nearly 4,000 students and trainees have studied in Communist countries.

The bloc has carefully tied its aid drive in with expanded offers of trade. Communist trade with the newly developing countries has nearly tripled from some $800 million in 1954 to considerably more than $2 billion in 1958. During the first half of last year—the latest period for which complete figures are available—it totaled more than a billion. As with aid, much of this increase is concentrated in a relatively few countries. Some of them are now doing sizable percentages of their total trade with the bloc. However, the principal significance of bloc trade is not its relative share in the total trade of these countries but the fact that it is adroitly timed and shaped to achieve the greatest possible political effect, both by relieving exporting countries of burdensome surpluses and by offering much-desired capital goods on easy and supposedly favorable terms.

The short-term objective of this new Communist activity is to provoke and capitalize on tensions between the less developed and the more developed nations of the free world. The long-range aim is to create climates and attitudes in the newly developing areas which will be conducive to eventual Communist takeover.

The Soviets are striving to equate communism with progress in the minds of the peoples of these regions, in order to make them more susceptible to Communist propaganda. It is an effort which must be viewed with deadly seriousness. It challenges the whole system of the free world and particularly the concept of economic freedom which underlies our free political and social institutions.

Importance of U.S. Economic Growth

If we are to meet this challenge, we must strengthen our own economy and our own international economic position. This is vital because our privileged economic status has endowed us with the role of leadership in the free world and because our powerful economy has radiating effects throughout the entire free world.

The goal of domestic economic growth is closely related to success in our efforts to help the newly developing areas. Growth at home makes it easier for us to allocate the resources we must devote to fostering growth abroad. It also helps to provide an expanding and stable market for other countries of the free world, many of which must trade in order to exist.

Equally important, growth at home provides confidence abroad in a free-enterprise economy as a means of achieving healthy progress. It promotes confidence in the United States as a nation worthy of emulation in the struggle to which we have been challenged by communism.

A high rate of growth should be our goal even if communism simply didn't exist. But we cannot ignore the fact that industrial production in the Soviet Union is expanding at an annual rate of about 8 percent, compared with our own annual rate of about 4½ percent. The Soviet Union con-

tinually uses the comparison of these growth rates to project its own Communist image to the newly developing countries as the ideal blueprint for economic progress. It would, of course, take the Soviets many years to make good their boast of "catching up and surpassing" us. But catch up they will—unless we bestir ourselves. We cannot afford to be complacent, especially when we reflect that, with an annual gross product only 45 percent of our own, the Soviets are able to match our military capacity.

A major instrument for stimulating our own growth is foreign trade. Although the United States is now the largest single exporter in the world, we got that way almost by accident. Our domestic market is so huge that export sales have been regarded by some of our producers as an extra bonus. But if we are to grow and prosper and meet the challenges of the times, we must work to increase our exports.

In the years immediately following the war we had no problem with exports because we were the only large-scale producer. Our sales were limited solely by the availability of dollars in other countries. To use the vernacular, our exporters "never had it so good." Today, however, the other industrialized free nations have recovered from the ravages of war. Our friends in Europe and Japan provide strong competition. In some areas their costs of production are lower than ours. In many others this is not the case. But they work night and day to increase their exports. This is the normal situation for an industrialized nation such as ours. We Americans must give exports the same sort of priority and attention.

Over the past 15 months we in Government have been working to persuade our friends and allies in Western Europe and Japan to eliminate discriminations against our exports which were originally invoked to protect their meager foreign exchange reserves during the postwar period of the so-called "dollar shortage." Fortunately the need to do away with discriminations against dollar goods imposed to meet financial problems that no longer exist has been recognized by our trading partners. Great progress has already been made. We can reasonably hope that by the end of this year postwar discriminations against our exports will be almost a thing of the past.

Our efforts to open markets long closed to American products are only a part of our drive to expand U.S. exports. Today, as in the past, we are constantly seeking reductions of tariffs affecting our exports and we are alert to forestall the erection of new barriers to American products.

A case in point involves one of Virginia's prime products: tobacco. Those of you who are interested in tobacco exports are concerned, I know, with the problems posed by the proposed European Common Market customs tariff of 30 percent ad valorem on unmanufactured tobacco.

We in the Department of State fully share the concern of the American tobacco industry. We are doing everything possible to obtain a reduction in this proposed tariff and to have it converted to a specific duty. We have used both formal and informal means to express our views to the Common Market countries. If these representations are not fruitful, we shall vigorously press our case in the forthcoming review of the proposed Common Market tariff at next September's session of the General Agreement on Tariffs and Trade. And we shall continue to urge both the European Common Market and the European free-trade area to pursue increasingly liberal trade policies toward the United States and the rest of the free world.

I have every reason to hope that our efforts will be successful. But I should like to emphasize that we must maintain our own liberal trade policy if we expect other countries to join with us in liberalizing and expanding trade on a worldwide basis with resulting benefits for all.

The Department of State is now embarked on an intensified new program with the Department of Commerce and other Government agencies to stimulate a greater interest in foreign trade in American business circles.[2] We are working energetically to provide better Government facilities, both at home and abroad, to assist American firms to sell their goods and services in foreign countries. We are moving to increase the effectiveness of our commercial staffs abroad. We are giving greater attention to United States participation in trade fairs. And we are stepping up our efforts to promote travel to the United States.

Despite everything that we in Government can do, however, this is essentially a task for private business. The basic drive must come from the business community, not only in its own best in-

[2] For background, see BULLETIN of Apr. 11, 1960, p. 560.

terest but in the national interest as well. For we need to increase our exports as a means of retaining our position as a leader of the free world.

The renewed ability of our friends and allies to compete with us on normal terms in the marketplace is actually a healthy development. It is a reflection of their growing economic capacity to contribute more and more to the strength and unity of the free world.

Their improved financial position has led them to assume a steadily increasing share of the common responsibility for safeguarding the free world. For example, the annual military expenditures of our NATO allies have increased more than a billion dollars in each of the past 2 years. Further substantial increases are in sight for 1960.

Our newly prospering allies are also playing a stronger role in speeding the growth of the developing areas. They have not only accelerated their direct financial and technical assistance to needy regions, but they have joined with us in strengthening the free world's institutions of economic cooperation. These major steps include the proposed establishment of a billion-dollar International Development Association to complement the operations of the World Bank and creation of a Development Assistance Group,[3] through which our allies and ourselves are seeking ways of increasing the flow of capital to development-hungry areas.

Finally, 18 European nations have joined Canada and the United States in preliminary steps to reconstitute the Organization for European Economic Cooperation.[4] Once the reconstituted OEEC is a reality, we should be able to collaborate more effectively in promoting sound economic growth in the free world and in mobilizing the resources of its industrialized members to help the newly developing lands.

Mutual Security Program

The increased help which other industrialized countries are making available to newly developing areas is a welcome and most important development. However, these increased contributions from others should not be regarded as a substitute for our own efforts, which must be continued at adequate levels through our Mutual Security Program if we are to meet the Soviet challenge.

This includes military assistance and defense support grants to nations on the periphery of the Sino-Soviet empire whose economies are otherwise unable to sustain the defense establishments they must have to resist Communist military pressure. It includes loans for sound productive purposes through our Export-Import Bank and Development Loan Fund. It involves furnishing ideas and skills to the newly developing countries through technical, educational, and cultural programs.

We are endeavoring to fulfill the objectives of our Mutual Security Program through loans, rather than grants, wherever feasible and appropriate. However, we must bear in mind that our present grant aid programs were created to answer two compelling needs: first, to meet political and military emergencies in the Far and Near East, either in response to direct Communist aggression or to crises attending the birth of newly independent nations in conditions of instability and insecurity; second, to enable our NATO allies, who themselves carry a substantial and ever-growing defense burden, to equip their forces with the very costly modern weapons systems which are essential to our collective security arrangements.

The imperative needs which led to the inauguration of our grant aid programs are still largely with us. They constitute valid and compelling reasons for continuing grant aid. Improving conditions and rising national incomes will eventually permit many of the recipient nations to finance these needs out of their own resources. But until this day arrives, we must be prepared to provide continued grant aid where it is urgently required for the defense of the free world.

I sometimes am asked whether we can afford the Mutual Security Program. It is a question that our friends in the newly developing areas hear with considerable amazement, when they consider our privileged position in the world. Yet it is sufficiently prevalent in our own country to merit serious attention.

The proposed Mutual Security Program for fiscal year 1961, which the Congress is now consider

[3] For background, see *ibid.*, Apr. 11, 1960, p. 577.
[4] For background, see *ibid.*, Feb. 1, 1960, p. 139.

ing, would consume but *eight-tenths of 1 percent* of the gross national product of the United States—a GNP that is, on a per capita basis, by far the highest in the world. Expenditures under the program would represent less than 5 percent of the expenditures proposed for our Federal Government.

It is frequently overlooked that some 90 percent of military assistance program expenditures—and about half of all expenditures under the economic assistance programs—are made directly in the United States. The volume of indirect expenditures in the United States resulting from the program is less readily measured. But it is considerable, and it swells our export total. Several hundred million dollars of military equipment is purchased each year by nations that once received military assistance but are now in a position to pay for their maintenance and replacement costs. In actual fact, our Mutual Security Program has relatively little unfavorable effect on our balance of payments. Our problems in this area stem almost entirely from the costs of maintaining our own military forces abroad, where they serve a vital purpose in the defense of the United States.

One measure of the Mutual Security Program's effect on our own economy is the fact that many countries now buying goods in the United States could not conceivably be doing so were it not for the economic resurgence made possible by mutual security efforts of the past. We confidently anticipate that, as more and more of the newly developing countries achieve expanding economies with our assistance, they will become increasingly important customers of the United States and will eventually make significant contributions to our own economic growth through normal channels of trade.

It is my personal conviction that we not only can afford the Mutual Security Program but that we cannot afford *not* to channel the small fraction of our national income which it represents into a program designed to protect and to promote our own best interests. Our proposed Mutual Security Program is at the minimum level consistent with United States national security and foreign-policy objectives. Its purpose is to help us to survive in peace and freedom and prosperity, by helping our friends and allies to do the same.

We cannot, however, sustain the cause of freedom solely by helping other peoples to achieve material progress. What peoples in all lands want, deep down in their hearts, is the opportunity to satisfy their spiritual hunger. We must remember that America stands for infinitely more than material progress. America to countless millions is a symbol of freedom in which the personal dignity of man is the all-important reality. All that we do must be eloquent testimony to the spiritual vitality of our free society. This is a task worthy of our heritage and consistent with the lofty spiritual and humanitarian concepts on which our Nation was founded.

Western Foreign Ministers Meet To Prepare for Summit Conference

As part of the continuing preparations among the Western Powers for the meeting of Chiefs of State and Heads of Government which will begin at Paris on May 16, a series of meetings of Foreign Ministers took place at Washington on April 12, 13, and 14. Following are the texts of agreed press statements made at the close of the four principal sessions.

STATEMENT OF APRIL 12

The Foreign Ministers of France [Maurice Couve de Murville], the United Kingdom [Selwyn Lloyd], and the United States [Secretary Herter] met in Washington on April 12 to discuss questions relating to the meeting of the Chiefs of State and Heads of Government which begins in Paris May 16.

They reached agreement on certain general matters relating to the Summit and noted with satisfaction the state of the preparatory work of the several working groups which will be reviewed in detail in the meetings later this week.

The Ministers confirmed the desire of their Governments to approach the Heads of Government meeting in a constructive spirit. They emphasized the need to solve outstanding problems by negotiation and not by force or unilateral action. They expressed the desire of their Governments to negotiate reasonable solutions to these problems in the interest of world peace.

The North Atlantic Council will be informed of the present Washington discussions and consulted as preparations for the Paris meetings proceed.

STATEMENT ON GERMANY, INCLUDING BERLIN, APRIL 13

The Foreign Ministers of France, the Federal Republic of Germany [Heinrich von Brentano], the United Kingdom, and the United States met on April 13 in Washington to review the interim report submitted by the quadripartite working group on Germany, including Berlin. The Foreign Ministers expressed their satisfaction with the work of the group in preparing the unified Western position to be presented at the meeting of the Chiefs of State and Heads of Government which begins in Paris on May 16. Directives were issued by the Ministers for the final phase of the working group's deliberations.

In accordance with regular practice a report of the deliberations of the Foreign Ministers is being submitted to the permanent representatives of the North Atlantic Council. The Ministers agreed that a report of the working group, taking into account the directives agreed upon today by the Foreign Ministers, should be presented at the meeting of the NATO Foreign Ministers in Istanbul from May 2 to 4.

The Ministers, finding themselves in agreement on the Western position on Germany, including Berlin, decided that it was unnecessary to hold a further meeting scheduled for tomorrow, April 14, on this subject.

STATEMENT ON DISARMAMENT, APRIL 13

The Foreign Ministers of Canada [Howard C. Green], France, Italy [Antonio Segni], the United Kingdom, and the United States reviewed and approved a report from their representatives in Geneva on the course of the disarmament negotiations now in progress within the Ten-Nation Disarmament Conference [1] in relation to the forthcoming meeting of the Chiefs of State and Heads of Government in Paris. They recalled the unanimous resolution of the United Nations General Assembly of November 20, 1959,[2] which expressed the hope that measures leading toward the goal of general and complete disarmament under effective international control will be worked out in detail and agreed upon in the shortest possible time.

The Foreign Ministers consider that the approach reflected in the Western proposals represents the surest and most effective way of moving toward the ultimate goal of a secure, free, and peaceful world in which there shall be disarmament under effective international control.

The Foreign Ministers expressed the hope that agreement would be reached as soon as possible in these negotiations on measures of disarmament to be attained by balanced, phased, and safeguarded agreements which must be observed and verified by an appropriate international organization within the framework of the United Nations. At the same time they agreed that their representatives should give thorough consideration to any practical disarmament proposal which would preserve the security of all the nations concerned and which would pave the way for further progressive measures leading toward the ultimate objective. In this connection the Foreign Ministers are requesting their representatives in Geneva to continue their efforts to achieve the early identification and consideration of areas of possible agreement.

The Foreign Ministers noted that the negotiations will be pursued within the Ten-Nation Disarmament Conference until April 29, at which time the formal sessions will be recessed until June 7. During this period of recess the representatives of the Five Western Powers will review the course of the negotiations and advise the Foreign Ministers in preparation for the May meeting of the Chiefs of State and Heads of Government.

STATEMENT OF APRIL 14

The Foreign Ministers of France, the United Kingdom, and the United States expressed their satisfaction with the useful progress achieved in the series of conferences at the Ministerial level held in Washington to prepare for the Chiefs of State and Heads of Government conference in Paris. Preparations are well advanced for the

[1] For background, see BULLETIN of Apr. 4, 1960, p. 511.

[2] For text, see *ibid.*, Nov. 23, 1959, p. 766.

effective presentation of the Western positions at the Summit.

The Ministers expressed their appreciation for the helpful participation of Secretary General Spaak [Paul-Henri Spaak, Secretary General of the North Atlantic Treaty Organization], Foreign Minister von Brentano of the Federal Republic of Germany, Italian Foreign Minister Segni, and Canadian Foreign Minister Green in their discussions, and renewed their intention to inform and consult with the North Atlantic Council concerning preparations for the Summit.

Under Secretary Dillon To Escort President de Gaulle on U.S. Tour

Press release 192 dated April 14

Under Secretary Douglas Dillon has been designated escort officer for President de Gaulle, following the state visit of President de Gaulle to Washington, April 22–26.

The Under Secretary, who served as Ambassador to France from 1953 to 1957, will accompany President de Gaulle and his party during their tour of New York City, San Francisco, and New Orleans. Mr. Dillon will return to Washington after the departure of the President of France from New Orleans for the French West Indies on April 29.

Wiley T. Buchanan, Jr., Chief of Protocol, will escort President de Gaulle during his visit to Washington and will remain in Washington to escort the King and Queen of Nepal, who arrive on April 27.

President Eisenhower To Visit Japan and Korea

White House (Augusta, Ga.) press release dated April 12

The White House announced on April 12 that the President's visit to Japan on the occasion of the Japanese-American Centennial would take place from June 19 to June 23. While in Tokyo the President will have conversations with Prime Minister Kishi and his associates.

The President will also make a brief visit to the Republic of Korea on June 22 in response to a longstanding personal invitation of President Rhee, with whom he will have an opportunity to discuss matters of common interest. The President has long desired to revisit Korea, where the United States has contributed so much to the role played by the United Nations in preserving Korean independence.

18th Anniversary of Bataan

Following is the text of a message sent by President Eisenhower to President Carlos P. Garcia of the Republic of the Philippines on the occasion of Bataan Day, April 9.

White House press release dated April 8

April 7, 1960

Dear Mr. President: Eighteen years ago today Filipinos and Americans, in common struggle against tyranny, gave new vigor to man's quest for peace in freedom. It is fitting that we should pause each year to observe Bataan Day and to remind ourselves that liberty and justice are, indeed, worth whatever price we may be called upon to pay.

Eight years ago Filipinos and Americans were again fighting side-by-side to preserve the integrity of the Free World. I am confident that we will continue to work together to this end, and it is my profound hope that we will be able to safeguard our integrity without having thrust upon us again the necessity of taking up arms. The goals of our two peoples—the spiritual and material welfare of the individual, a free society dedicated to peace and justice—are deeply ingrained. The fact that they correspond to the aspirations of hundreds of millions of our fellow men should strengthen our determination to defend this heritage against any who would deny it to us.

On behalf of the American people, I wish to extend through you, Mr. President, my deep respect and affection for the Filipino people and their dedication to the democratic way of life. May we continue to draw common inspiration from the symbol of Bataan.

With high esteem,

Sincerely,

Dwight D. Eisenhower

Our Role in the Quickening Pace Toward Independence in Africa

by Joseph C. Satterthwaite
Assistant Secretary for African Affairs[1]

I welcome the opportunity to address the annual meeting of the Academy, whose sessions this year will examine the present course of American foreign policy.[2] Our session this afternoon comes under the general heading, "Is America Involved in the Nationalist Ferment in Africa?" I shall attempt to set forth briefly why and how we are involved and what the future may hold for our relations with the independent states of Africa. Previous speakers have already given major attention to the northern and southern areas of the continent. Furthermore, the position of the United States toward recent developments in the Union of South Africa has been made known both in Washington[3] and at the recent meeting of the Security Council.[4] My remarks are accordingly directed in general to the great belt of tropical Africa, where at present social and political changes are moving at a rapid pace.

Our Moral and Historic Role in Africa

I think it may be held that since the American Revolution the American people have been involved in the movement of any peoples anywhere in the world toward self-determination, self-government, and independence. The founders of our Nation and our great statesmen have fully realized and articulated this fact, knowing that the principles on which our independence was based would have effect far beyond their time and beyond our shores. Abraham Lincoln called for the blessings of liberty for all mankind, believing that neither his country nor the world could long survive half free and half slave. In the rush of modern events I think we sometimes forget the strong and enduring currents which our example set in motion. We do not, of course, have a monopoly on these ideals, for they have been given impetus by the great liberal societies of Europe and have been jointly enunciated in such historic documents as the Atlantic Charter.

The events of the 20th century have brought to the surface a new wave of change which has carried hundreds of millions of people to independence in Asia, in the Arab world, and now in tropical Africa. Here "freedom" in various languages is the catchword. The old slogans and declarations of our independence struggle have been revived with undiminished force and meaning. These phenomena stir a spontaneous response and welcome in the American people because they spring from the same soil in which our own past is rooted.

America also has ties with Africa of a more tangible kind. About one-tenth of our population has its origin in tropical Africa. We have, therefore, a special interest in events in Africa, an interest, however, which is by no means confined to those of our population who had their origin on that continent and who have contributed so much to our culture and its expression. I might also observe that our own problems of assimilating Americans of African descent into our free society, an issue involved in our Civil War, should make us view with some humility the present problems of the European populations which now control the multiracial states in Africa.

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[1] Address made before the American Academy of Political and Social Sciences at Philadelphia, Pa., on Apr. 8 (press release 177 dated Apr. 7).

[2] For an address by R. R. Rubottom, Jr., Assistant Secretary for Inter-American Affairs, see p. 693.

[3] BULLETIN of Apr. 11, 1960, p. 551, footnote 8.

[4] *Ibid.*, Apr. 25, 1960, p. 667.

Again, on the very tangible side, we helped to establish over one hundred years ago the free state of Liberia as a home for freed slaves and as an example of the principle of self-government which remained unique in tropical Africa until the 20th century. Its name, Liberia, proclaims its status, and its capital, Monrovia, commemorates the President under whose administration it was founded. Our Government has always had close and friendly relations with Liberia, and American investment and free enterprise continue to have an important influence on the development of its economy.

Our governmental and cultural relationships with Africa by no means exhaust our long-term historic association. American missionaries in large numbers have had an important influence quite apart from their evangelical mission. Their mission schools have provided primary and secondary education to promising students who had nowhere else to turn. These men and women now form part of the leadership group who will have to cope at various levels with the independence which their people have achieved or may achieve. Some few of them have gone on to universities in the parent country or in the United States. I think it significant that from this number have emerged such leaders as Prime Minister Nkrumah of Ghana, Julius Nyerere of Tanganyika, and Dr. Asikiwe of Nigeria. Viewed especially in the light of present conditions, the educational service performed over a long period of years by American and other Christian missionaries in Africa will have an abiding beneficial influence on the new societies now being formed.

American private enterprise, private foundations, and education have had a significant influence in Africa. The preponderance of investment has been in the industrialized Union of South Africa, in Liberia, and the Rhodesias, but it is increasing in those newly independent countries which have established a friendly climate for foreign capital. The foundations are conducting research, consultative, and educational programs in many countries which have achieved or are on the way to achieving independence. The metropolitan and local governments generally have welcomed these efforts, and their work and training will be of great assistance not only to new governments when they emerge but also to the United States Government and private enterprise in planning future aid and investment programs.

Our Proper Contemporary Role in Africa

Now, I would like to turn to our proper contemporary role in Africa. I shall confine my remarks largely to the role of government. I use the word "proper" advisedly because, as this audience well knows, we are admonished by some to "keep hands off" and urged by others to champion the growing nationalist movement in Africa. We are charged on the one hand with interference, on the other with irresponsible indifference. We likewise face the accusation that our sympathies are entirely with African aspirations and that we are prepared to abandon European and other minority groups who have made their permanent home in Africa. We do not, of course, subscribe to the belief that any race or individual in Africa is expendable. Each can play an important role in the future development of Africa. Between these extremes we must pursue a course best calculated to serve the long-term interests of the peoples of the United States, of Africa, and of the free world in general.

I say "proper" also because we did not play a major role in Africa during the last century, whereas our European allies have major interests of long standing on that continent. The drama now unfolding is one, therefore, in which the Africans and Europeans play the major parts. Our course, in view of our varied and sometimes conflicting interests, is often difficult to chart. However, we shall not be far off if we continue to be guided by our firm belief in the evolution of peoples to self-government and independence by peaceful means, our traditional willingness to offer moral and material assistance to peoples striving to maintain stable representative governments, and our readiness as a member of the United Nations to help defend duly constituted governments and their peoples against aggression.

In tropical Africa the evolution toward independence has been and continues to be remarkable for the speed and nonviolence of the transition. This has required statesmanship, tolerance, and good will of a high order on all sides—by the Africans who are imbued with ardent nationalism and are impatient of delay, and by the European powers who are faced with major political, economic, and psychological decisions and adjustments. Our proper role as a government is to play the role of a friend contributing to orderly transition while hoping that new, strong, and vol-

untary ties will be established between the new countries and the former administering states. Certainly both stand to gain from such a relationship.

I do not mean to indicate from the foregoing that the United States has no official presence in African countries while these changes are going on or until they become independent. On the contrary we have one or more Foreign Service establishments in most of the political subdivisions of the continent, 29 United States Information Service establishments, as well as International Cooperation Administration representatives and programs in overseas territories. We have embassies in 11 independent countries. Significant, if modest, educational exchanges are taking place, and the President's cultural presentations program is bringing American artists, musicians, and athletes before African audiences. In 1958 and 1959 Prime Minister Nkrumah [5] and President Touré [6] of Ghana and Guinea, respectively, paid visits to the United States at the invitation of President Eisenhower. Such visits express the profound interest and respect of the American people and Government for these new nations and their leaders as they embark on the difficult course of liberty.

I should like to comment here on the frequently expressed doubts or fears as to whether the people of Africa are yet ready to run their own affairs, whether they have sufficient experience with self-government to assume its responsibilities, whether they will not fall victims of governments of the extreme right or left. As to their "readiness," I believe history has shown that this is almost an academic question. Peoples tend to acquire independence, ready or not, according to a timetable more or less of their own making. As to the degree of experience with self-government, this varies with the type of tutelage received from the mother country. In tropical Africa, for example, we are witnessing the imaginative evolution of the French Community. Its members have moved in a short period of time from typically colonial status toward self-government or independence. Nigeria, a British colony, has benefited in an exemplary manner from education and civic training and guidance provided by Great Britain in preparation for independence in October 1960. We have the dramatic instance of the Belgian Congo, where 6 months ago neither the people of that area nor the Belgian Government would have predicted the independence which will come on June 30 of this year. Yet the colonial government with outstanding statesmanship has negotiated with Congolese leaders for the transfer of power under the optimum conditions time will allow.

Now as to the character the new governments will have, I believe, on the basis of experience to date, we have reason to be optimistic. Elections, both in still-dependent and in independent areas, have been generally peaceful, impressive, and marked by a very large turnout of voters. The new governments are responsive to the will of the people and have the support of the majority of the populace. In some cases there is not the same respect for the minority opposition that is customary in Western democracies. However, we cannot expect Africa to follow entirely Western patterns in developing democracy. Ancient African local governmental processes accept as binding the consensus of the majority. However, in African societies where the tribal and chieftain system prevailed those who opposed this consensus had to be silent or leave the group—a system which we might consider autocratic. What we can hope for with considerable confidence is the steady growth of democratic principles based on respect for human rights, justice, and law. We must expect a certain instability, trial, and error. These are after all, the normal problems of democracies which we experienced in full measure during the first decades of our independence. What would be most helpful at this time, it seems to me, is continuing evidence of America's understanding, confidence, and willingness to assist during the years of growth and adjustment ahead.

America's Economic Involvement in Africa

Both African and outside observers agree that for a long time to come the principal assistance required by the emerging states of tropical Africa is, first, education and training—using those terms in their broadest sense—and, second, development assistance, which includes private investment and public financing. President Sékou Touré of Guinea, when he was in the United States, made

[5] For texts of a joint statement and addresses by Mrs. Nkrumah, see *ibid.*, Aug. 18, 1958, p. 283.

[6] For an exchange of greetings and toasts, the text of a cultural agreement between the U.S. and Guinea, and a joint communique, see *ibid.*, Nov. 16, 1959, p. 719.

the pointed observation that to Africans the world is divided into two parts: not free and Communist but developed and undeveloped; and that they would seek development assistance from wherever they could get it, without regard to political considerations.

It is perfectly clear that Africa's needs are great, so great that they cannot be provided by any one country. The metropolitan powers have, during the period of dependence, provided major economic assistance both for development and in the form of administrative expenditures. In general it seems that substantial assistance from the metropolitan powers will continue during and after the transition period to independence. The value of this type of support for last year is estimated at over $500 million. But independence shifts certain burdens, and the metropolitan powers are unlikely to continue to provide all the costs of an administration which they have relinquished.

The United States has but lately become involved in providing a share of the educational, technical, and development assistance so urgently needed in tropical Africa. Interest of American private investment in West Africa is strong and, given a continued receptive climate, should increase. Government and the private foundations and our universities are making a significant beginning in providing education and training for the future leadership. There are now over 1,700 African students in the United States. But by contrast there are some 10,000 in the United Kingdom, a similar number in France, and an undetermined number in Communist-bloc countries. Next year our Government hopes to finance 500 educational exchanges, 400 of them to bring Africans to this country, 100 for American teachers, professors, and specialists to work on the African Continent.

Now these are good beginnings, but they are not good enough. The facts are that countries are approaching political independence without sufficiently trained leadership and technical and managerial skills and without firmly established economic and social institutions and systems which provide the foundations for secure, confident, African-governed nations. Present United States foreign assistance programs are not adequate in scope or size to be responsive to the dramatic changes taking place. As the most materially favored nation in the free-world community, we must accept a larger responsibility in meeting this challenge. The executive branch has, therefore, proposed to the Congress a special program for tropical Africa with an initial appropriation of $20 million under the special assistance category. We have a fresh situation; we are attempting to meet it in a fresh manner. President Eisenhower in presenting this proposal to Congress said:[7]

> It is my belief that this initial effort must grow significantly in the immediate years ahead and complement similar efforts on the part of other free world nations so that the capacity of the new and other developing nations in Africa to manage and direct their development can be strengthened and increased rapidly and effectively.

The essential character of the special program for tropical Africa lies in its intensive concentration on key education and training problems and on regional activities. It would not replace our bilateral technical cooperation under the International Cooperation Administration, but it would be closely related to it. It is not intended that it should become a competitor to or substitute for assistance from other free-world sources. It is our hope, rather, that it may serve to encourage an increase in assistance from other free-world countries and international and national organizations.

I mentioned earlier that no single country could possibly provide the economic and technical assistance required by Africa in the coming years—a continent of over 220 million people, over three times the area of the United States, and undeveloped in the mid-20th century sense of the term. Recognizing this, and also the fact that a number of our allies are providing bilateral assistance to a number of undeveloped countries, Under Secretary of State Douglas Dillon suggested to the European countries in January that the principal capital exporting countries get together to discuss various aspects of cooperation in their efforts. The suggestion was accepted and last month the group held its first meeting in Washington.[8] Known as the Development Assistance Group, the members are: Belgium, Canada, France, the Federal Republic of Germany, Italy, Japan, Portugal, the United King-

[7] *Ibid.*, Mar. 7, 1960, p. 369.

[8] For background, see *ibid.*, Feb. 1, 1960, p. 139, and Apr. 11, 1960, p. 577.

dom, the United States, and the Commission of the European Economic Community.

At this meeting primary attention was directed toward methods and means of improving the flow of bilateral aid. Members reported on their experience and problems in extending financing and promoting economic development in the less developed areas. They heard reports from the International Bank and the International Monetary Fund. Significantly, I think, the Group agreed that its efforts should not involve discussion of amounts of financing for particular regions, countries, or projects. In other words it is not another operating agency but a facilitating ways-and-means body. This should allay the fears expressed by some undeveloped countries that the capital exporting states plan to "gang up" on them, make decisions affecting them without consultation, and keep them in a position of suppliers of raw materials to the industrialized economies. Nothing could be farther from the truth. The Group plans to continue its activities through meetings at regular intervals, the next to be in about 3 months in Bonn, Germany.

Now I have gone into some detail on the Development Assistance Group because it could be a very important step toward reconciling our own and other free-world countries' sometimes desperate approach to the joint problems of furnishing economic aid. It is a step away from "going it alone" and toward cooperative efforts. As one commentator put it, "The Conference well might become a beacon of hope in a vast economic wasteland." As one of the largest underdeveloped areas of the world, Africa could be a principal beneficiary of its work.

In considering the whole area of economic, technical, and educational assistance, we are too often inclined to act, I think, as though all motivation rests with us—"us" meaning the developed countries. This is not a healthy or natural situation. Important initiatives are also required of the countries and territories to be assisted. We may take the area under discussion this afternoon as an example. As states in tropical Africa move toward independence, we need to know with some preciseness their own estimate of their needs. It is not sufficient to say, "We need everything." We cannot plan or budget on that basis and "shotgun" aid is likely to have a worse effect than none. New states must put their own economic and fiscal houses in order so that aid can be efficiently channeled. There must be an understanding of the processes through which assistance funds are appropriated in democratic countries. Our Congress has an inescapable accountability to the taxpayer for the use of his money, and I would hope that recipient countries would understand this and not regard certain strictures on the use of grant or loan funds or technical assistance as evidence of "political strings" on the part of the United States. While we must cut the redtape that sometimes binds our aid programs, some controls over them are a mark of responsibility. In the field of free enterprise, new governments must create conditions that will make capital investment and development attractive or it will go elsewhere.

The Regional Approach

Particularly in Africa there would seem to be advantages in a regional approach to assistance. The boundaries of the present political divisions of the continent were in many instances arbitrarily drawn and often prevent the undertaking of economically or socially viable projects.

It is encouraging that African leaders are aware of this problem and are giving some consideration to area planning from the development point of view. We can, I think, do much to encourage such regional and cooperative approaches to the many common developmental problems which confront all the African countries. For example, in planning the special program for tropical Africa which I mentioned earlier, we are proposing to use a portion of the funds requested to support and sponsor multicountry conferences, workshops and seminars as training programs in themselves and as a means of stimulating cooperative approaches to special development problems, such as the tsetse fly, which closes large parts of the continent to livestock raising. In the field of education we will propose a training grant program which will permit Africans from several countries to attend various African schools and colleges.

I would make one further remark on the subject of economic assistance. Aimless benevolence is not the objective of our foreign assistance programs. Our objective is to strengthen the economies of underdeveloped states and enrich the lives of their people so that democracy will

satisfying and meaningful to them. We believe that such objectives are in our mutual interest. To accomplish them efficiently there must be responsive initiatives from the cooperating countries.

We must recognize, of course, that the whole question of regionalism in Africa is a complex and difficult subject with far-reaching political overtones. While I believe that closer associations of African countries will develop, it will be a long process, and it is a matter which the peoples themselves will have to work out.

In this connection it is pertinent to quote from the speech made by Secretary of State Herter earlier this week in Chicago at the 38th annual convention of the National Association of Broadcasters.[9] Referring to efforts which the United States is making to build closer relations with the new African nations and the concern which we have for their welfare and security as they assume the responsibilities of independence, he said:

> It is our hope that they can devise regional arrangements to insure the peaceful settlement of disputes and to avoid a wasteful and dangerous arms race. This would indeed be a forward step toward insuring peaceful change.

Communism and Africa

It is not the purpose of this discussion to study Communist influence and involvement in Africa, but I believe I should mention it if for no other reason than to avoid misunderstanding. The forces of international communism are fully aware of the opportunities presented to exploit for their own political ends the nationalist movement in Africa. They have been doing so at an increasing rate, covertly through their usual methods and overtly through rather massive economic and technical assistance in chosen areas. I think it is testimony to the stability and good sense of the African people that communism has not gained a significant foothold on the continent. The policy of "positive neutrality" enunciated by some African leaders sometimes leads us to the view, erroneously I think, that the new African states are "soft" on communism. There is more evidence, I believe, that Africans who have but recently freed themselves of foreign control will not, except by force, permit themselves to come under a new domination alien to them in every sense of the word.

I would not be honest if I did not admit that we are concerned over the impressive assistance offers that the Communist bloc have made in Africa in the last year or so. If these programs were only what they seem on the surface, aid to the economy and technology of underdeveloped societies, there would be little cause for concern. It is not reasonable to assume that new governments in dire need of the assistance of technically developed peoples would refuse to accept such aid. The legitimate concern, it seems to me, stems from the fact that communism uses all means to attain the political objective of communization and control. Economic "cooperation" is only one means, but it could be an effective one when applied to peoples who lack an established political and economic order of their own. However, there are many indications that the African peoples and leaders will be vigilant and uncompromising in rejection of all political subversion masquerading as friendship and assistance.

Our own expanding programs of cultural, technical, and economic collaboration with Africa stem from the traditional character of our society, which has demonstrated time and again our conviction that to help others help themselves is the path of enlightened self-interest. Our motives are, and must remain, positive and not negative—*for* a better way of life for Africans, not against a Communist initiative here and there. We have no desire to see Africa become a cold-war battleground. Such a development would be as distasteful and unproductive for Africans as for the rest of the free world. We believe that the maturing "African personality," while unique, has already cast its lot with free men.

The United Nations and Africa

No discussion of America's relationship to Africa would be complete without mention of the United Nations. Additional contact with Africa comes about through our participation in the United Nations and its specialized agencies. For example, as members of the Trusteeship Council we have had a voice in the future of the trust territories in Africa, although all seven of them are or were administered by various European powers. I think it is fine testimony to their administration and to the effectiveness of the United

[9] *Ibid.*, Apr. 25, 1960, p. 635.

Nations system that three of these trust territories, Cameroun, Togo, and Somalia, have been or will be granted independence in 1960 and that one other, British Cameroons, may determine its future status within the year. The British Cameroons elected to postpone the decision in a plebiscite held under U.N. auspices last fall. The United Nations has so far been unsuccessful, I regret to say, in its efforts to have South-West Africa put under trusteeship or under some other form of international supervision. It remains under mandate to the Union of South Africa, where it was placed by the now defunct League of Nations.

The United States is a strong backer of the United Nations technical assistance programs and of the specialized agencies working in the fields of health, agriculture, and education. We are also the largest contributor of funds to these agencies and to the United Nations Expanded Technical Assistance Program. I think it is sometimes forgotten that the U.S. assessment represents about a third of the total budgets of the various specialized agencies, and its voluntary contributions amount to 40 percent of the total funds available to the Expanded Technical Assistance Program and to the U.N. Special Fund. By formula we agree to maintain this ratio as other countries increase their contributions. In other words the amount of our assistance is tied to the confidence which other members indicate by their support of the specialized agencies and United Nations technical assistance.

In this connection we have noted the strong preference which some leaders of independent African nations have expressed for assistance through the United Nations rather than through bilateral assistance. Some of them may fear that bilateral assistance will involve excessive dependency upon other nations or that such assistance would entail conditions which might detract from their sovereignty. While there are certain conditions attached to virtually all forms of aid, multilateral as well as bilateral, we believe the record of the United States and other free nations in supplying economic aid and technical assistance clearly demonstrates that such aid will not be used to impair the freedom or independence of any nation. At the same time there are sometimes definite advantages connected with aid through the U.N., and we believe that both U.N. sources and other sources will be needed. As I have noted, our Government is the heaviest investor in the United Nations programs. As more African countries attain independence, I foresee their sharing to an increasing extent in their benefits. I also believe that the dynamic developments on the continent increase both the obligation and the opportunity for the United Nations to expand its work. The Economic Commission for Africa, established with headquarters in Addis Ababa in 1958, should give new impetus to the planning of effective programs to meet the social, economic, and technical needs of the African people. The United States has observer status on this Commission and is following its progress with keen interest.

Through the United Nations our Government also becomes involved in Africa's political and social problems, and, conversely, the increasing representation of African states in the world organization is having a growing impact. The one nation-one-vote system in the General Assembly means that Africa may, before very long, be able to influence strongly the resolutions of that body which tend to reflect world opinion. In the past we have frequently found ourselves at variance with the African states on issues which, we think, they tend to view from a local or continental vantage point. It is understandable that these new countries should, at the outset, be primarily concerned with African problems and attempt to avoid entanglement in wider issues which they may feel they had no part in creating. But it is our hope and expectation that time and experience and the full acceptance of African countries in world councils will bring us closer together in positions which the United Nations can take to advance peace, security, and international amity.

Conclusion

The question we have been asked to discuss this afternoon is whether America is involved in the nationalist ferment in Africa. I believe you will agree with me that the United States and the American people do have a significant involvement in African affairs and, inevitably, in the nationalist ferment now taking place on that continent. In the past this involvement has been important but limited and sporadic. However, with a dramatic new era dawning over Africa we are called upon to play a new and, I think, a more positive role in responding to the needs of these

countries and in sharing with them our human and material resources. We shall not play it alone but in concert with others and with the United Nations. The United States has strong historic, cultural, economic, and linguistic ties with tropical Africa. They are invaluable assets with which to develop new bonds with the peoples of Africa. They are looking to the United States to see how it will respond to their needs and problems. I am sure we shall not be found wanting.

Toward Better Understanding Between the United States and Latin America

by R. R. Rubottom, Jr.
Assistant Secretary for Inter-American Affairs [1]

I am honored to be able to represent the Department of State and the American Foreign Service Association, along with my colleague, Assistant Secretary [for African Affairs] Joseph Satterthwaite,[2] at the 64th annual meeting of the American Academy of Political and Social Sciences, which is considering the topic "Whither American Foreign Policy?" You are devoting this entire session to the relations between the United States and Latin America and have asked me to speak candidly on certain problems which contribute to misunderstanding.

This is indeed a pleasure for someone in the United States who believes strongly that officials should not become so involved in the formulation and day-to-day execution of foreign policy as to be deprived of the beneficial ideas advanced by scholars, any more than the scholars should become so engrossed in their teaching and writing as to lose contact with those in government. Ten months ago some 40 of those whom I sometimes refer to as "articulators" of foreign relations spent a jampacked day with me and my colleagues in the Bureau of Inter-American Affairs, getting briefed on and discussing U.S. relations in the hemisphere. It was a highly profitable day from our standpoint, and we hope to repeat it at least annually.

Having returned from South America with the President 1 month ago,[3] I can report that he received an overwhelmingly friendly reception everywhere he went. Much of this was due to his own personal magnetism and was recognition of the acknowledged leader of the victorious forces of World War II, but he was also enthusiastically received in his role as President of our country. Allowing for misunderstandings, some of them serious and deep, which do exist in Latin America's attitude toward the United States, I still think that there is a great reservoir of good will toward this country growing out of respect for the principles on which our relations have been founded and their day-to-day practice. I am convinced that the true basis of any unfriendliness toward the United States finds its roots in misunderstandings. Some of them are general throughout the area, while others are limited to one country or group of countries. We have made extraordinary efforts to overcome these misunderstandings, insofar as responsibility devolves upon us, but obviously a similar effort must come from the other side if understanding is to be achieved. Fortunately the tradition in this hemisphere has been that men of good will on both sides have sought mutually agreeable solutions to their common problems. We should be realistic, however, and recognize the brutal fact that there are those in the Americas whose single purpose is to create ill will and thwart all efforts to reach understanding.

In this crucible of democracy we have long since learned that, after the give and take of unfettered

[1] Address made before the American Academy of Political and Social Sciences at Philadelphia, Pa., on Apr. 9 (press release 182 dated Apr. 8).

[2] For an address by Mr. Satterthwaite, see p. 686.

[3] For background on President Eisenhower's visit to South America, see BULLETIN of Mar. 28, 1960, p. 471.

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public discussion, workable compromise is possible to devise. This does not call for sacrificing principle. In fact, we could not hope to settle our differences or to achieve agreement with parties who insisted that we sacrifice the principles on which we have built our own country and its relations with other nations, including our friends in Latin America. You requested that I propose a cure for misunderstanding. I know nothing better to suggest than frank talk and unceasing joint search for the truth.

Some criticism directed at United States policies toward Latin America is so broad and sweeping as to convey to the reader or listener that the governments and peoples of the Americas are incapable of setting their own guidelines, formulating their own policies, and evolving their own destinies. The implication is that the United States is somehow responsible for all the problems that arise in Latin America. On both counts this kind of reasoning should be rejected. There are increasing signs of the social, political, and economic maturity in this vast region—indeed, some countries are world powers by almost any definition—but even the weakest or the most underdeveloped country would to a man reject the thesis that they were not capable of self-determination. By the same token, the United States could never assume the responsibilities which properly are those of the individual countries themselves. We tried to do this once and earned the displeasure of the entire hemisphere, not to mention that of the intervened countries, in the process.

Nonintervention and Collective Security

Let us analyze the doctrine of nonintervention. Prior to the 6th Inter-American Conference at Montevideo in 1933, the governments of Latin America had been deeply concerned with what they conceived to be the unwarranted interference of the United States in the internal affairs of some of their countries. They were even more concerned over our apparent unwillingness to subscribe fully to the principle of nonintervention. At the Montevideo meeting we accepted this doctrine in principle, followed by the abrogation of the Platt amendment in 1934 and our full agreement with the treaty embodying nonintervention in specific terms in 1936 at Buenos Aires. Nothing that we had done previously in the realm of inter-American affairs had a more dramatic or favorable impact on our foreign relations than our acceptance of and faithful adherence to the nonintervention doctrine, now one of the most jealously guarded principles of the inter-American system.

Nonintervention is only one of the fundamental rules, if I may use the term, for international conduct in the Western Hemisphere. No less important for its material contribution to peace is the principle of collective security, which came to full fruition with the Inter-American Treaty of Reciprocal Assistance signed at Rio in 1947, following the initial steps taken during World War II toward establishing its form and substance. Specifying that an act of aggression against one nation will be considered an attack on all, the collective security agreement provides the machinery for action against a state that does not hold itself bound by the nonintervention agreement. Since 1948 the Rio Treaty has been called into action 16 times. On six of these occasions the Council of the Organization of American States, through its Organ of Consultation, succeeded in bringing about a peaceful settlement, while the other four were solved by withdrawal of the charge of aggression or some other means.

Quite apart from binding the 21 Republics to a solemn commitment not to intervene or resort to force of arms as a means of resolving differences plus providing a course of action in case of violation, the linked principles of nonintervention and collective security have given birth to a salutary psychological attitude in the general conduct of inter-American relationships. Each nation of our hemisphere, no matter how small or inadequately armed, now feels protected by the strength of the many allies that would come to its support in case of aggression. Each nation now has the foreknowledge that correct conduct in a serious dispute will be ascertained and approved by impartial investigation. Mutual trust based on confidence has alleviated much of the suspicion that was common in hemispheric relationships; equally noteworthy is the growing awareness of the interdependence of the 21 American Republics.

Yet the hemisphere now hears a voice which is strangely out of tune. The Prime Minister of Cuba [Fidel Castro] has publicly stated that his Government would not feel bound by the Rio Pact. Surely he must know that Cuba has nothing to fear from any country in the Americas, all of which have watched with sympathetic interest the unfolding political drama of that beautiful island republic since it successfully fought for its inde-

pendence only 62 years ago. No distortion of history can possibly erase the facts, to which there are living witnesses both in Cuba and the United States, of that glorious effort. Nor shall we forget that it was the privilege of the United States to provide a sanctuary for the beloved hero and patriot of Cuba, José Martí, after he had been forced to flee the island prior to the independence struggle.

Can it be that the present Cuban Government is unmindful of the real threat to their revolution, indeed the threat to freedom and to the cause of just and honest nationalism all over the hemisphere, which is represented by international communism? Would not the freedom-loving peoples in the satellite countries of Eastern Europe have appreciated a kind of Rio Treaty when they were overrun at the end of World War II?

Military Relationships

Many misconceptions exist, both at home and abroad, concerning our military relations with Latin American countries. In this important aspect of our total foreign relations in the area, the United States collaborates in many ways with Latin American countries. Our representatives deliberate as juridical equals on the Inter-American Defense Board to determine the means and methods of collective security. Our military missions serve in Latin American countries at the request of the host government. In the various bilateral military assistance programs of our Mutual Security Act, the United States provides materiel and training to a number of countries.

During the last year there has developed outside the executive branch some sentiment in favor of providing military assistance to Latin American countries through multilateral channels and of terminating, or drastically curtailing, our present bilateral programs. For example, a recent study prepared by a university for the Senate Foreign Relations Committee recommends the establishment of a small auxiliary force of about a hundred men contributed by various countries, to maintain security against threats arising from within the hemisphere.[4] While this proposal is under study at the present time, I would be less than frank not to underline the political and military complexity of establishing a force that would be truly effective and acceptable to all 21 Republics in the inter-American community. Discussion of proposals for an international police force might be included under one of the items approved for the agenda of the 11th Inter-American Conference, scheduled to open in Quito March 1, 1961, but no early agreement is foreseen under even the most favorable circumstances. Obviously such an agreement would require consultations within the individual countries, and the required support of two-thirds of the 21 Republics would likely be a long time arriving, if at all.

Some misunderstanding of the mutual defense assistance program also has appeared, both in Latin America and the United States. In this program the United States provides a relatively small amount of materiel and training to a few countries for regional defense needs. Far from serving as the main support of the entire military establishment in any country, as sometimes alleged, in no country does this assistance constitute more than 16 percent of the total personnel strength of the local armed forces—and from this the percentage ranges downward to a low of 2 percent.

This small defense program neither supports nor endorses the additional forces that the individual countries may wish to maintain. The size and character of their total military establishments are within the prerogative of sovereign countries to decide for themselves, and it would be improper for the United States to go beyond a mere statement of belief that most countries probably could reduce their military expenditures without jeopardizing their security requirements. Naturally, the United States would welcome any opportunity to discuss the always difficult and complex subject of Latin American arms limitations at a conference such as that proposed by the Presidents of Chile and Peru and now joined by President Lleras of Colombia in a statement made during his recent visit in Washington.[5] To the extent that it is compatible with our own national interests, this country is prepared to bring our own programs and policies into harmony with any arms limitation arrangements that may be developed individually or collectively by our neighbors in this hemisphere.

[4] *United States–Latin American Relations: The Organization of American States*, a study prepared at the request of the Subcommittee on American Republics Affairs of the Senate Committee on Foreign Relations by Northwestern University. No. 3. Dec. 24, 1959. 87 pp. [Committee print.]

[5] See p. 699.

Caribbean Arms Policy

I wish to take this opportunity to make clear our policy on the export of arms and implements of war to the Caribbean area. The basic position of the United States is observance of nonintervention and loyalty to the efforts of the American community as represented in the Organization of American States to maintain within this hemisphere a climate of peace and tranquillity within which all American peoples can progress toward the full enjoyment of the benefits of representative democracy and economic progress. There has, however, arisen in various parts of the Caribbean area an atmosphere of violence and tension. Arms obtained in the United States have been utilized against the desires of the United States Government and people in civil strife and in efforts to intervene by force in the internal affairs of other countries of the area. Accordingly, in March 1958, the United States adopted a policy of closely scrutinizing all applications for export of arms and implements of war to the Caribbean area and, in fact, of denying licenses for shipments from this country to the Government of Cuba.

Since that time there has been no lessening of tensions. The United States has not been able to return to its traditional policy of licensing the export of arms with the assurance that they would be employed solely for legitimate purposes of defense. Instead, it was obliged to extend impartially to the entire Caribbean region its policy of careful scrutiny of all arms export applications, denying those likely to result in additional tensions in the area.

This policy was made known to allied and friendly governments, who consult with the United States but who, of course, fully retain the right to make their own decisions in each instance. It should be amply clear that this policy is not directed against any particular country so much as it is directed toward the general aim of maintaining peace in the area.

Individual Freedom and Representative Democracy

It is sometimes said that the doctrine of nonintervention has slowed down the march toward individual freedom and representative democracy in this hemisphere, that nations refusing to apply principles of basic human rights within their borders should not enjoy the "protection" of the nonintervention agreement. This position, in my opinion, is wrong. The truth is, based on long experience, that nonintervention provides individual nations the opportunity to evolve their own destiny and establish an atmosphere of freedom and human dignity.

Our common devotion to freedom with justice, and indeed to a broad application of democratic principles, should not be construed as an avenue of interference into the affairs of another nation where these same principles may not be in full application. This was a difficult question facing the Meeting of Consultation of Foreign Ministers in Santiago last August, and the decision was that the principle of nonintervention was clearly inviolable.[6] Clearly each nation must find its own political destiny without outside interference. This ban on intervention is just as applicable to forces from outside the Americas as it is within. In his report to the Nation,[7] President Eisenhower stated his views this way:

> . . . if a tyrannical form of government were imposed upon any of the Americas from outside or with outside support—by force, threat, or subversion—we would certainly deem this to be a violation of the principle of nonintervention and would expect the Organization of American States, acting under pertinent solemn commitments, to take appropriate collective action.

Chilean Student Letter

During his recent tour to Latin America, President Eisenhower received a letter from an organization of university students in Chile. This letter seemed to be sincere and moderate, even thoughtful, but it also demonstrated much of the gulf of misunderstanding that exists in the mentality of many students of Latin America. Our Ambassador in Chile [Walter Howe] delivered the reply on behalf of the President to the student letter yesterday [April 8],[8] and I wish to take this opportunity to discuss some of the misunderstandings answered in that correspondence.

One of the phrases that impressed President Eisenhower as an indication of the depths of misunderstanding was the assertion that the United States looks "benevolently" on dictators in the Americas. Our democratic way of life has been

[6] For background, see BULLETIN of Sept. 7, 1959, p. 34[illegible]

[7] *Ibid.*, Mar. 28, 1960, p. 471.

[8] For texts of the students' letter and the U.S. reply, see *ibid.*, Apr. 25, 1960, p. 648.

so instilled in the makeup of our institutions that we cannot fail to be repelled by the tyrannical abuse of power by governmental leaders. We pointed out that we shall continue to favor the reduction and elimination of antidemocratic governmental practices if the solution is genuinely constructive, in accordance with international obligations, and represents the consensus of the inter-American community. It would be nothing less than foolhardy to become so obsessed with the destruction of undemocratic regimes as to embark upon actions leading to chaos, anarchy, or their replacement by a new but even more dangerous form of tyranny. We hope the point is well noted by the students when they read in the reply that "democracy, unlike communism or any other form of tyranny, cannot be imposed from without by any nations or group of nations. . . . What all of us can and should strive for is to improve and strengthen the admittedly imperfect democracies in which we live in order that they may serve as examples for others. This moral pressure by example strikes a responsive chord in the hearts of the people."

Trade and Commerce

That the United States should participate more fully in the economic development of Latin America is a point often made by our critics. The student letter advanced this idea and then added that "economic integration" would permit Latin American countries to "industrialize their economies and accelerate their development." Never in history has a country participated in the economic development of other regions so wholeheartedly as the United States has. The results have been mutually worth while, and future prospects are still brighter. Our Government has repeatedly and forcefully given its support to the concept of common markets in Latin America that stimulates trade expansion both within the area and with other regions of the world. Improvement of the knowledge and skills of the population has been a major effort of our technical cooperation and educational programs, affording these benefits to thousands of Latin Americans under the sponsorship of both government and private enterprise.

The letter also points out that our Government-owned Eximbank has loaned, since its inception, over $3.9 billion in Latin America to both state-owned and private enterprises. The great bulk of these loans has been for the purpose of aiding economic development. Add to this over $300 million in loans resulting from the sale of surplus agricultural commodities and $78 million from the Development Loan Fund, both on extremely liberal repayment terms. Also substantial United States contributions have been made through the International Bank for Reconstruction and Development and other international lending institutions.

Investments by private American businesses have been even larger—about $9 billion. Indeed, United States private investments in Latin America exceed those in any other region of the world. According to the latest statistics, from these United States private investments come 30 percent of Latin America's exports. These export earnings created enough foreign exchange to pay for all the imports and income remitted to the United States by those companies and still return a surplus of $900 million a year to Latin America. About 625,000 jobs have been created and 15 percent of all taxes collected in the area came from United States private investments. Latin America always has been an attraction for private investment; in fact, this source of financial assistance is now averaging about $600 million per year.

The letter states:

> My Government believes that, generally speaking, United States investors in Latin America are taking seriously their responsibilities toward their employees and the people of the countries in which they do business. They are interested in putting their roots down as responsible business citizens of those countries. They want to stay and help in the development process, and it is a gross exaggeration, and in most cases patently untrue, to accuse them of being interested solely in exploiting your countries.

Raw Materials Prices

The pricing of raw materials is a subject that is often interpreted to the disadvantage of the United States. In this case, the student letter took a quotation out of context from a report and arrived at the opposite conclusion. The full report shows how the development of low-cost resources benefits raw-material producing countries as well as the countries which buy part of these raw materials. In fact, foreign producers and foreign countries have benefited substantially from poli-

cies of the United States Government designed not to obtain raw materials at the lowest price possible but to give a fair return to suppliers in the United States and abroad.

The Ambassador's reply states:

Our appreciation that violent fluctuations of raw material prices can cause great difficulties for countries which are heavily dependent on the exports of one or two commodities has caused the United States to cooperate with primary producing countries, not only in Latin America but elsewhere, and in many different ways, in efforts to overcome these difficulties. But the problem is deep-seated and requires basic solution of such matters as rates of economic growth, the need for diversification of production, and the balance of supply and demand. During the time that such fundamental adjustments are being worked out, it may be possible in certain cases to reduce the severity of price fluctuations by arrangements of various kinds among interested countries. In most cases it is possible for countries experiencing temporary balance-of-payments difficulties as a result of commodity price declines to obtain external financial assistance calculated to tide them over.

The letter points out that, far from obtaining raw materials at lowest possible prices, prices are supported for certain agricultural products and minerals. Foreign suppliers often obtain prices for commodities sold in the United States which exceed world market prices, this being at considerable cost to the United States consumer. With respect to imported raw materials which are not produced domestically, we customarily levy low duties, or none at all, and impose few internal taxes. This stimulates our consumption of these products and so redounds to the benefit of the exporting country.

These are a few of the general areas of misunderstanding. If one would care to dwell upon the effects of disparities, something might be said about the differing heritage of language and cultural patterns, the divergencies in psychological attitudes toward the problems of economics and politics, and the paradoxical comparisons of sociological and ethnological structures. It is my belief that in the face of present-day realities these dissimilarities are less important than the principles and practices that we hold in common with the people of Latin America. Individuals do differ, and so do nations. What matters far more is their capacity to work together toward their common aims for the mutual good of all.

We must all maintain a balanced perspective toward Latin America. The problems there are great, but even greater is the challenge and opportunity. In the ebb and flow of hemispheric developments, progress far outweighs regression. Our relationships with Latin America today are on a sound basis, and there is a constructive trend which should continue unabated into the future. We are jointly committed with our sister republics in what President Lleras Camargo of Colombia 2 days ago described as a "glorious, responsible and arduous task . . . of proving that a part . . . of the world knows how to live in a society of nations ruled by law and moving towards perfection."

U.S. and Chile To Cooperate in Antarctic Scientific Program

Following is the text of a joint announcement made on April 12 by the Governments of Chile and the United States.

Press release 188 dated April 12

The Governments of Chile and the United States of America have agreed to cooperate in a scientific program in Antarctica in order to continue and if possible amplify the valuable scientific work which was accomplished during the International Geophysical Year.

In this connection, the Government of the United States of America is making available a vessel suitable for scientific investigation which can be accomplished in Antarctic waters, such as oceanography. The Government of Chile, on its part, has agreed to provide the operational and administrative supplies and services needed for the operation of this vessel in carrying out its scientific mission. The vessel is being transferred by the United States Navy to Chilean Navy command under a five-year renewable lease. The vessel will be placed under Chilean command at the port of San Francisco on a date to be mutually agreed by the two Governments and will proceed to Chile when the necessary preparations have been completed.

It is planned that scientists from both countries will participate in programs of technical studies, research and scientific observations, as may be mutually agreed, to be carried out on board the vessel. In harmony with the spirit of the present agreement, scientists from other countries may be invited to participate in scientific

programs, to be conducted aboard the vessel, subject to the limitations of space and accommodations.

The arrangements to which this announcement refers have no effect on rights and claims asserted in Antarctica. Each Government maintains its traditional position in regard to such matters.

The Governments of Chile and the United States of America jointly express their satisfaction at this new manifestation of the friendly spirit of cooperation which animates them, and are confident that the practical results of this agreement will redound to the benefit of world science.

U.S. and Colombia Reaffirm Determination To Continue Collaboration on Matters of Mutual Concern

Alberto Lleras Camargo, President of the Republic of Colombia, made a state visit to the United States April 4–17. President Lleras, accompanied by Señora de Lleras and party, was in Washington from April 5 to 8 and then began a brief trip that included stops at Hot Springs, Va., New York City, and Miami, Fla. Following are texts of statements by President Eisenhower and President Lleras released at the close of the Washington visit, together with an address made by President Lleras before a joint session of the Congress on April 6 and a list of the members of the official party.

STATEMENTS BY PRESIDENT EISENHOWER AND PRESIDENT LLERAS

White House press release dated April 8

President Eisenhower

The President of the United States has had a valuable and friendly exchange of views with the President of Colombia on a number of subjects of mutual interest, including matters of special significance and concern in inter-American relations. The discussions between the two Presidents began at the White House on Wednesday, April 6, and continued at Camp David on Thursday, April 7. They were entirely informal in nature and without any agenda; no negotiations of any type were involved. They took place in an atmosphere of complete cordiality, frankness and mutual understanding.

During his four-day visit President Lleras addressed a Joint Meeting of Congress and he and the members of his party conferred with the Vice President, the Secretary of State, members of the Senate Foreign Relations Committee and other United States Government officials. After leaving Washington President Lleras will visit three other cities of this country and will meet and confer with governmental, cultural and business leaders.

The President is happy to confirm that there are no serious problems pending between the United States and Colombia and that relations between the two countries are characterized by a spirit of friendliness and mutual respect. He discussed at length with President Lleras the economic needs of Colombia and noted with satisfaction the return of Colombia to economic and financial stability under the present regime, a development largely made possible by the great efforts of the Colombian Government and people and cooperation between the Colombian Government and official and private banks in the United States, together with support from international banking institutions. At the same time these discussions disclosed the need for increasing and diversifying Colombian agricultural and industrial production to keep pace with the rapid growth of population in that country, in which task all possible efforts will be made to cooperate with the Colombian Government.

The conversations dwelt also upon the basic problem of social and economic development which, as President Lleras has eloquently stated, "has no other objective than that of producing

within the shortest period of time, with the full application of all public and private resources, a gradual rise in the standard of living of the entire population and a better distribution of income". The two Presidents found it a matter for rejoicing that in America war has been outlawed as an instrument of national policy, that Americans, north and south, live at peace with one another and wholeheartedly sympathize with and maintain their solidarity with the free nations of the world. They reaffirmed their support of the Organization of American States and their devotion to the defense of its ideals as voiced in its Charter and other significant inter-American agreements.

Finally, President Eisenhower expressed his conviction that a continuing personal relationship between the Chiefs of State of the two countries was an important element in maintaining the long tradition of friendship and cooperation between Colombia and the United States, and that the present visit signifies the determination of the two Chiefs of State and their two Governments to continue their collaboration on matters of mutual concern both directly and through international organizations, as befits two nations sharing a common faith in freedom, democracy and social justice.

President Lleras

The President of Colombia has had a most gratifying experience in his visit to the United States in response to the invitation from President Eisenhower. In his conversations with President Eisenhower, Secretary of State Herter and other high officials of the American Government he has had the opportunity to discuss problems that affect the hemisphere and their relation to world problems and, in particular, to those of Colombia. The President of Colombia found the same spirit of cooperation, understanding and good neighborliness that constantly has characterized relations between the two countries, as well as an intense and deep concern for the progress of the Latin American nations, the political and social stability and their economic development. Colombia has wished to make fully evident, on the occasion of this visit, its appreciation for the high degree of cooperation it has received from the Government of the United States in connection with the crisis suddenly made acute by the drop in coffee prices, that, had it continued, would have brought disaster to the producing countries. In this crisis, the United States assumed the position, unprecedented for a consumer country, of cooperating in the formulation of world-wide agreements designed to seek stability for this product. Likewise, the President of Colombia has wanted to attest his gratitude and that of his people for the financial aid given the economic policies of his Government, thanks to which it has been possible to reestablish the foreign credit of his country, to stabilize its currency and to open new prospects for economic development.

President Eisenhower and high officials of the American Government, as well as members of the United States Congress, have shown on this occasion special interest in intensifying the cooperation of their country with the efforts being made by the American Governments to raise the standards of living of their peoples. Also, the President of Colombia has found a clear expression of the respect, confidence and esteem in which the Government of the United States holds the Organization of American States as an instrument for studying, clarifying and resolving all problems that may arise concerning relations between our countries, when these cannot be resolved directly. It has been gratifying and stimulating to the Chief of the Colombian Government to confirm that he is in complete accord with President Eisenhower's concept that the juridical structure developed by the American states during the 71 years of their collaboration is one of the greatest contributions of our times to the predominance of a system of law in international relations, and with the need and desirability of strengthening the American regional organization by giving it the governments' strongest support.

It is also gratifying to the President of Colombia to state that, although it was not the aim of his visit to discuss any special aspect of cooperation between the two countries, he found in President Eisenhower, in the members of Congress and the Government and generally in all official circles, special desire to help resolve the serious problems of Colombia's growth and to enlist the American nation in the development of an economic and social policy that would serve the interests of the Colombian people, raise their standard of living and contribute to developing a state of prosperity and justice. In the course of our interviews through the normal channels, conversations will be carried forward on specific ways

to cooperate in these efforts, that are intended to consolidate democracy and the order, peace and social justice of the hemisphere.

The President of Colombia wishes to express his highest appreciation for the way President Eisenhower, the American Government and people have received the Chief of a sister nation, turning this visit not only into an act of close friendship between nations but also into a very useful opportunity to examine new ways of intensifying long term and reciprocal political and economic cooperation.

ADDRESS BEFORE THE CONGRESS, APRIL 6 [1]

Members of the Congress of the United States, I have come to your country by your President's most kind invitation. I have no specific mission here. I am not here to make any overtures on behalf of my Government to yours; both yours and mine manage to get along satisfactorily together through the ordinary broad and friendly channels.

Neither have I come here to get acquainted with this Nation, though it would be well worth my while to leave the cares of office to do so. It has been my privilege to live long years among you, right here in Washington.[2] The admiration I feel for your country, your laws, your political institutions, for this Congress, for your harmonious balance of powers and estates, came to me by dint of long and deep deliberation, when I contemplated your behavior as a people in peace and in war.

At that time, during which there were some hard and trying moments for you, it fell to my lot as an agent of the American international organization to help in maintaining the interest of the public, the interest of Congress, and of successive administrations in the affairs, fortunes, problems, and future of those enormous geographical and human latitudes which lie south of your country and cover the islands of the Caribbean.

Everywhere I found good will, affection for our people, mindfulness of their affairs. Presidents Roosevelt, Truman, and Eisenhower, no less than Secretaries of State Hull, Stettinius, Byrnes, Marshall, Acheson, Dulles, and Herter renewed their faith in the regional organization, while the two Houses of Congress took the initiative to strengthen it, despite the harassing anxieties which had pulled the attention of the public in other directions, toward the immediate points of conflagration and conflict.

At that time your isolationist policy ended forever, and you pledged yourselves as the greatest world power to maintain the peace and security of our planet. That was when the Senate, under the joint or alternating influence of Senators Connally and Vandenberg and with the wholehearted assistance of several of its present members, set its seal, both in the Charter of the United Nations and in the Organization of American States, on the enlargement and definition of the regional convenants entered into by the United States of America. What intense activity to create a world of law after Armageddon. Conference followed conference—Dumbarton Oaks, Yalta, Chapultepec, San Francisco, Rio de Janeiro, Bogotá. In all of them one thing emerged clear to you and to the other American States: whatever may happen, we are, above all, members of the most ancient regional community in existence, partners in the most effective enterprise for the elimination of war, for collective defense and peaceful cooperation. Our related lives are ruled by the clearest statutes of reciprocal obligations and rights amongst our 21 nations, statutes which are at once a kind of inter-American constitution and, as Franklin Delano Roosevelt would have it, a declaration of interdependence.

Measure of a Great Nation

During that process you also proved yourselves to be a great nation. How easy it would have been for you to turn your backs, as some of your experts advised you to do, on the circumscribed regional organization and, instead, to rush headlong into the tasks, duties, and dangers of your new position in the world organization so fraught with unforeseen consequences. Nevertheless, you did not forget that in the American society of nations your finest statesmen had learned how to treat with other peoples, how to restrain the imperialistic zest of a young and ambitious nation, how to submit to the sway of international laws which were in essence hardly different from those

[1] *Congressional Record* of Apr. 6, 1960, p. 6935.

[2] President Lleras was his country's ambassador to the United States in 1943, Director General of the Pan American Union in 1947, and Secretary General of the Organization of American States 1948–54.

which governed your country. And, indeed, was it not from the inter-American experience that Wilson's idea came forth to create the League of Nations? The only reward sought on America's entering the Second World War was the foundation of a rule of law and a worldwide association of nations. That demand, posed by the United States both on the first occasion and on the second, was made in tacit representation of a hemisphere in which the system proposed not only was of long standing, but had also proved its civilizing effectiveness.

I quite understand how it is that some European, Asiatic, and African states have feared and still look askance upon your sudden appearance on the scene of world decisions; for, indeed, never before has so mighty a power, after so decisive a military victory, intervened in world affairs for the first time without insisting that the prevalent geographical, political, and economic structure should be refashioned to the measure of its ambition. But we, the nations of Latin America, could hardly claim the right to join in that chorus of distrust, misunderstanding, and suspicion, for our experience with your country does not in the least resemble that of other peoples who have lived or survive under the baleful shadow of some implacable imperialism.

True it is that your Nation, in her fullblooded and heady youth, followed the best-known pattern of what up to then was supposed to be a great power, and that some of our Latin-American states felt the unbridled harshness of that mood. But at the hemisphere's roundtable she surrendered her weapons one by one, she cut her claws, she eschewed privilege and exception, and clung only to one common law, identical for the smallest and feeblest states, but more rigorous for the greatest. That is why when it was announced in Montevideo [1933] that the United States had decided to abandon every form of intervention in the hemisphere, we, the unarmed peoples of the south, realized that the international organization that was foundering in Geneva might yet be rescued in America, and that democracy among nations was not merely desirable, but absolutely possible.

Notwithstanding, the rest of the world was not quite so ready for such a doctrine and such a policy. Already in San Francisco, when the structure of the United Nations was being discussed, there resounded the first clash against certain rampant tendencies to aggression. What for you and for us was the beginning of the law that directed and submitted the relations between state and state to a juridical order, signified for others nothing more than a yielding to the doctrinarian whim of a powerful ally. Or else it might be—so they fancied—an instrument of unilateral political power with such indispensable reservations as to make sure that no imperial ambition of predominance should come to naught.

It was the peoples of Latin America who clearly saw the new perils and who understood and admired the behavior of your Nation, pledged as she was to safeguard, within the international organization and outside of it, those very principles which had led her to war and to victory. It was they who understood why it was necessary to pour out over a devastated world, without making any distinction between friends and foes, all the wealth and bounty of the United States. It was they who realized that this generous strength was especially needed in those areas where the civilization of the West had been demolished and had to be set up again; and especially needed, too, wherever age-long despotism and misery and the enslavement of millions of human beings, shaken out of their lethargy by the war of liberation, could not be prolonged without kindling their unfulfilled craving into explosion. Thus, for the mission which you had assigned to yourselves, we saw poor, undernourished people of Latin America proffering food and money, rather in the spirit of complete agreement than in the hope of lending any substantial aid. It was in the same spirit that some of us offered military contingents to the United Nations in order to repel aggressions condemned by the international organization.

Era of Economic and Social Development

It is principally through your action, supported by our enthusiasm, that this second half of the 20th century is destined to be the period of economic and social development of the backward populations of the world. The war, as could be foreseen, brought about the dissolution of ancient empires. Something like this had happened after the Napoleonic wars which originated the independence of the Latin-American nations. Thus, too, after 1918 new states sprang into being; and

in like manner, the process set in motion by the Second World War has not yet run its course. Look at all these tyro states. Does it seem, in the political order, an easy thing to create an independent nation? Well, it is much harder—it is, in fact, amazingly difficult—to maintain the autonomy of a people burning with desire for a better existence which political freedom has brought within its vision, but not within its reach. Such a nation, eager to develop, stands at the crossroads of two fundamental choices. It can follow the Communist pattern, and sacrifice all the freedoms and the privileges of the human person in the hope that, after three or four generations of privation and bloodshed, the survivors may at last know and acquire some of the goods, services and facilities of a higher civilization. Or it can be guided by those principles and procedures through which you yourselves have come to be one of the richest, most fairminded and happiest of nations. We have seen how the backward peoples of the Eastern Hemisphere rush into either alternative, and how they often fail to see that if once they commit themselves to the former choice, even by way of experiment there is no turning back. Of course, for several of those nations, who never knew freedom before the Second World War, there is no great sacrifice in accepting a new tyranny which holds out to them the promise of industries, dwellings, vehicles, clothing and food for the offspring of their grandchildren.

The Latin American nations, fortunately, are not in this situation. Since their inception they have known the unforgettable taste of freedom. In spite of civil wars and occasional dictatorships, they always come back to freedom, which is their historical constant. This freedom, in fact, is what makes it possible for them to perceive the process through which mankind is passing in Japan, in China, in Indonesia, in India, in Africa, in Western and in satellite Europe. This is what makes them understand that if they do not in the near future emerge from their backwardness, they will be unable to avoid the effects of impatience and desperation, of revolt and anarchy, and new dictatorships. In all those states it has already been possible to measure almost accurately how many more yards they have to go in order to finish a race that will bring them to the point of satisfying the vital needs of a growing population; how much they can achieve through an industrial and agricultural development calculated to raise the standard of living to reasonable human levels.

Need for Credit in Latin America

Latin America has been struggling, even by such unorthodox means as inflation, to produce at least the illusion of development, but these methods create very serious social problems and financial instability, which can only make it still more difficult to acquire the capital goods that have to be paid for in hard cash. What these countries need—and not in some way or other, but urgently and amply—is foreign aid, which ought to take the specific form of credit for the undeferrable and profitable enterprise of their economic development. If the principles of free enterprise and private initiative, as well as the principles on which the political organization of the hemisphere is founded, are true; if your own experts and those of the United Nations are right, then in 10, or 15, or 20 years, provided that the Latin American countries have been greatly boosted with foreign capital, the whole hemisphere will, by its very prosperity, be proof against any attempt to reduce it to anarchy with a view to favoring the domination of alien politics. It is equally certain that these countries will then be able to pay back loans extended to them for this purpose.

Without such aid the lag in our economic development would ominously falter toward paralysis—but not before millions of beings without schools, without hospitals, without industries enough to create employment, without sufficient food, without land and, worse than all, without hope have repudiated their democratic leading classes and taken leap after leap in the dark. Each of those leaps, like your historic cannon shot, would be heard around the world, and here, louder than anywhere else.

The admiration, affection, and gratitude I have for your people compel me to show you with unsparing clarity the plight of Latin America as I see it. But I also want to make it quite clear that I do not consider you bound to help in the economic development of any part of the world—even the nearest to your frontiers and your sympathies. We in Latin America do not think ourselves entitled to claim your collaboration in our

economic development, even though this has been your way of promoting your international policies and ours in other regions in dire peril. Our situation is not one of unilateral rights and obligations. But it so happens that we need to purchase a decisive stake in the material civilization of the West, so that this civilization may not wholly perish from our countries through frustration, through impotence, through desperation. We are unable to buy it outright from those who own it—that is, from you—in your own currency. We can neither solicit nor accept a gift without retribution; we will neither beseech nor receive aid from you without restitution to the American taxpayer, for such an action on our part, even were it possible, would engender only bitterness, resentment, mistrust, and irritation in the popular relations between North and South.

So far as I am aware, the people of Latin America, with perhaps a solitary exception, have asked for nothing but credit for their economic development. But this must be a high operation of reciprocal confidence in a great common destiny, and an act of faith, on your part and on ours, in the political, economic, and social principles that we share. It cannot be, then, an operation subject to the all-too-rigid tests and the common standards of ordinary banking and private business. On this occasion neither you nor we can run the risk of discovering when we agree to do something that it is too late or too little. The pan-American operation that our States have been proposing is remunerative, sure, and clear. But it is fundamentally a political act which cannot be judged by traditional banking criteria. No doubt there are better deals and better investments than the economic development of a backward part of the world. But it is a political function of the State to decide on the priority of this enterprise.

I am well aware that this message of mine, if it is at all worthy of consideration, could be delivered in no fitter place than this admirable Congress of the United States, where there is reflected without hindrance or deceit the public opinion of a great and friendly nation.

I wish to say, too, that if I speak like this I do not do so merely on my own initiative or by a mandate of my people. Nearly every day I receive in the Presidential House in Colombia visits from fellow citizens of yours, Senators and Congressmen, public functionaries, professional men, university men, businessmen, trade-union leaders, and all of them, with some perplexity, with a sincere desire to find out the truth, and with the noblest spirit of inter-American fraternity, ask the same question: "What must we, what can we do for Latin America?" To all of them I have given the same answer, and they have asked me to repeat it from the highest tribune of your Nation: Help those people to come forth from their backwardness by lending them the goods and capital they need. You will thus enable them to leave behind them the last stage of their underdevelopment. But give them this help before their backwardness becomes a retreat, a rout, a historical disaster.

I have never, outside of my own country, felt more honored and more responsible for each word I say than at this solemn moment when I am being listened to by those who, in either House, belong to that institution which has decided the history of the United States and, at times, of humanity. Let me say, however, that you have not been listening merely to the voice of a citizen of the hemisphere; you have heard another voice, one that has the right and the credentials to be listened to in the unsullied forum of liberty—the voice of my country, Colombia, a free people, governed by institutions that have their origin in Philadelphia. This is the voice of a people who have followed your finest examples and who profess for your Nation an undeviating friendship tested by historical difficulties which no longer exist. It is, then, the voice of a friendship proven in our time by a long, respectful, rewarding, and reciprocal collaboration, which I hope and trust will continue without impairment into the future.

MEMBERS OF OFFICIAL PARTY

The Department of State announced on April 1 (press release 164) that the following persons would accompany President Lleras and Señora de Lleras as members of the official party:

Carlos Sanz de Santamaría, Ambassador of the Republic of Colombia to the United States
Señora de Sanz de Santamaría
Gilberto Arango,[3] Minister of Agriculture.
Virgilio Barco,[3] Minister of Public Works.

[3] Rank of Special Ambassador of Colombia during the visit.

Jorge Franco,[3] chief of the Department of Planning and Technical Services
Victor Julio Silva,[3] president of the Colombian Federation of Workers
Antonio Diaz,[3] president of the Union of Colombian Workers
José Camacho, Minister, Embassy of Colombia
Col. Alberto Hauzeur, Military Aide to President Lleras
Maj. Raúl A. Paredes, Air Aide to President Lleras
Señorita Marcela Lleras, daughter of President and Señora de Lleras
Señorita Carmen Valdés, niece of President and Señora de Lleras

Ambassador Bonsal Replies to Three Cuban Complaints

The U.S. Ambassador to Cuba, Philip W. Bonsal, on April 11 delivered to the Cuban Foreign Ministry three U.S. notes in reply to complaints by the Cuban Government of actions taken by the United States with respect to revocation of licenses for the exportation of helicopters to Cuba, the dismissal of a Cuban employee at the Guantanamo Naval Base, and the suspension of the services of U.S. Department of Agriculture fruit and vegetable inspectors stationed in Cuba. Following are the texts of the exchanges of notes between the two Governments.

EXPORTING OF HELICOPTERS

U.S. Note

Press release 185 dated April 11

April 11, 1960

Excellency: I have the honor to acknowledge the receipt of Your Excellency's note of March 25, 1960, regarding the decision of the United States Department of Commerce to revoke the licenses for the exportation of helicopters to Cuba.

The Government of the United States, beginning in March 1958, instituted a policy of closely scrutinizing all applications for export of arms and implements of war to the Caribbean area, and, in fact, of denying licenses with respect to shipments to the then Government of Cuba. It was the profound hope of the United States that with the establishment of the present Government of Cuba, peace and tranquility would be restored to the Caribbean area. This hope has not been realized.

On the contrary, increased tensions in the Caribbean area accompanied by ample evidence of demands for armaments far in excess of any conceivable need for self-defense have made it necessary for the United States Government to broaden its policy so as to cover all items which have a military potential. This policy is deemed to be fully in accord with the conclusions of the Fifth Meeting of Consultation of Foreign Ministers at Santiago,[1] which revealed the clear preoccupation of the American Governments with factors affecting international tensions in the Caribbean area. Consequently, precepts have been adopted which require that applications for the export to Caribbean countries of aircraft which can be used, with little or no modification, for military purposes be analyzed in the light of all available evidence regarding aircraft requirements and usage of the country in question. Cancellation of the licenses for the exportation of helicopters to Cuba was made pursuant to these precepts, account being taken of the large number of licenses approved in the preceding six months for the exportation to Cuba of light aircraft, including helicopters, for agricultural purposes, and the possibility that aircraft exported for agricultural uses might also be employed for military purposes.

Accept, Excellency, the renewed assurances of my highest consideration.

Philip W. Bonsal

Cuban Note

Unofficial translation

Habana, March 25, 1960
Year of the Agrarian Reform

Mr. Ambassador: I have the honor to inform Your Excellency that the Revolutionary Government has received with surprise the report that the Department of Commerce of the United States of North America has announced its decision to revoke the licenses for the exportation of helicopters to Cuba.

The pretext which is advanced for taking this decision is that the helicopters which the Government of Cuba wishes to acquire "fall within the precepts which call for the review of special licenses and new requests for exportations related to military purposes."

The helicopters which Cuba is interested in purchasing are to be used in the work already fully and efficaciously under way to increase agricultural production for the purpose of raising the standard of living of the humble classes of the population.

[1] Bulletin of Sept. 7, 1959, p. 342.

The Government which I have the honor to represent believes that the acquisition of these helicopters in no way, not even tangentially, can be associated with the so-called "tensions of the Caribbean." A country which loves peace if anyone does, which is today converting its barracks into schools, the only war in which Cuba is engaged is that against misery. In its irrevocable purpose of winning this noble struggle, the Government and people of Cuba will not lessen efforts to acquire the helicopters which it needs from friendly countries which are disposed to assist us in the magnanimous enterprise of national redemption to which we are committed.

The Revolutionary Government of Cuba wishes to make a matter of specific record its protest over this unfriendly decision which hinders rather than facilitates the improvement of relations between the two countries.

I take this opportunity to express to Your Excellency the renewed testimony of my highest consideration.

RAÚL ROA
Minister of Foreign Relations

DISMISSAL OF EMPLOYEE AT NAVAL BASE

U.S. Note

Press release 184 dated April 11

APRIL 11, 1960

EXCELLENCY: I have the honor to refer to Your Excellency's note of March 25, 1960 regarding the dismissal of Mr. Federico Figueras Larrazabal from his employment with the United States Naval Base at Guantanamo, and Your Government's concern at reports that numerous ex-members of the former Cuban Army are being employed by the Base. You requested that the Embassy use its good offices with the competent American authorities in order that he may be reinstated in his position.

I have taken up the matter of Mr. Figueras' dismissal with the Base authorities who, in accordance with Base tradition and practice, desire to in no way become involved in the internal affairs of the Government of Cuba. I learned that Mr. Figueras has repeatedly made unfounded and slanderous public statements designed to incite feeling against the United States and against the Base and to perturb relations between the two countries. Under the circumstances his reinstatement would damage further these relations rather than improve them, and it is therefore impossible to accede to the wishes of the Government of Cuba in this matter.

With regard to reports that many members of the former Cuban Army have been given employment at the Base, the facts as furnished me by the Base Commander do not bear this out. I am informed that the number of former members of the Cuban Armed Forces among approximately 3700 Cuban employees is extremely small, and that only eight employees of all those hired since January 1, 1959 have been identified as former members of the Cuban Army or Navy. All eight reside outside the Base, and none have been identified to the Base Commander as wanted by the Cuban Government for past crimes or counter-revolutionary activities.

Accept, Excellency, the renewed assurances of my highest consideration and esteem.

PHILIP W. BONSAL

Cuban Note

Unofficial translation

HABANA, MARCH 25, 1960
Year of the Agrarian Reform

Mr. AMBASSADOR: I have the honor to address to Your Excellency the present note with reference to the dismissal from his work on the Guantanamo Naval Base of Mr. Federico Figueras Larrazabal, Secretary General of the Syndicate of Workers and Employees established in 1951 on the said Base.

In the written notification of the dismissal in question there is imputed to Mr. Figueras Larrazabal, among other charges, that of having uttered offenses against the Government of the United States, which appeared in the newspaper "Sierra Maestra." Said charges were read to them [*sic*] upon reporting for work on Friday, the 18th instant, and he was urged to retract those supposed offensive statements. Mr. Figueras Larrazabal had to refuse to renounce his statements, as they were inspired by his patriotic intention to avert difficulties for both governments. This is fully shown by his exhortation to the Cuban workers to make themselves permanent guards for the security of the Base.

Considering that the dismissal of Mr. Figueras Larrazabal has aroused deep displeasure among the workers of the Base and in nearby zones, the Cuban Revolutionary Government requests urgently, through your kind offices, of the competent American authorities the reinstatement of Mr. Federico Figueras in his position, in the assurance that this would contribute toward dissipating the intense discontent which prevails.

I have also instructions, from the Government which I have the honor to represent, to transmit to Your Excellency the concern which it feels at information in its possession according to which numerous ex-members of the army of the overthrown tyranny, for the most part involved in counter-revolutionary activities, are being contracted by the administration of the Base. It will not escape Your Excellency that facts like these obviously obstruct the improvement of the relations between the two countries.

I take the opportunity, Mr. Ambassador, to reiterate to you the assurance of my highest consideration and esteem.

RAÚL ROA
Minister of Foreign Relations

SUSPENSION OF SERVICE OF U.S. INSPECTORS

U.S. Note

Press release 183 dated April 11

APRIL 11, 1960

EXCELLENCY: I have the honor to refer to Your Excellency's note of March 25, 1960, in which you informed me of the displeasure of your Government at the suspension of the service which the United States Department of Agriculture had been maintaining for the inspection in Cuban ports of fruits and vegetables for shipment to the United States.

In 1955 the United States Department of Agriculture entered into an agreement with the Cuban Fruit and Vegetable Association, under which Department of Agriculture inspectors were brought to Cuba for the purpose of assisting Cuban shippers of various fruits and vegetables to meet, upon the importation of their products into the United States, the marketing standards fixed by law for the same kinds of fruits and vegetables produced in the United States. A secondary objective of the agreement was to promote quality consciousness among both the Cuban shippers and American receivers of Cuban products so as to generate a continuous demand for Cuban fruits and vegetables in the United States. The assignment of the United States inspectors in Cuba was clearly for the benefit of the Cuban shippers, and the Cuban Fruit and Vegetable Association paid the salaries, allowances and official expenses of the American inspectors. Under the provisions of the agreement either party could terminate it by giving 30 days' written notice to the other party.

On December 23, 1959 the United States Department of Agriculture notified the Cuban Fruit and Vegetable Association that because of the shortage of personnel the inspectors then stationed in Cuba would be returned to the United States on February 29, 1960 and assigned to other posts. During the ensuing weeks the Agricultural Attaché of the Embassy on several occasions mentioned to officials of the Cuban Ministry of Agriculture, the INRA [National Institute for Agrarian Reform] and the Cuban Fruit and Vegetable Association that if they wished the United States inspectors to remain on the job the Revolutionary Government should make this fact known formally and immediately so that he could submit a recommendation for the withdrawal of the inspectors to be reconsidered. Only on March 1, the day after the inspectors had departed, did the Minister of Agriculture address a letter to the Embassy's Agricultural Attaché expressing the hope that because of the satisfactory service rendered by the United States inspectors they be allowed to remain in Cuba.

The Embassy and the United States Department of Agriculture regret that because of the shortage of personnel and the reassignment of these inspectors to other stations it is not possible to meet the request of the Minister of Agriculture and re-establish the inspection service in Habana.

However, during the five years that the United States inspectors operated in Cuba, local Cuban inspectors worked with them and observed their inspection methods. Many times during these years the United States inspectors also visited numerous packing plants throughout the island to convey information to owners, managers and employees as to the proper manner of packing fruits and vegetables in order to stand the rigors of shipment and meet the quality and packing specifications upon arrival in the United States.

Moreover, in view of the withdrawal of the United States inspectors from Cuba and in order to facilitate the handling of Cuban fruits and vegetables, with the exception of mangoes and ñames [yams], at the port of West Palm Beach, Florida, the Inspection Service of the United States Department of Agriculture has made arrangements with customs officials at that port to facilitate the entry of all shipments from Cuba consigned to Pompano Beach, Florida. In turn, arrangements have been made at Pompano Beach for representatives of the Cuban shippers and inspectors of the United States Department of Agriculture to inspect the merchandise and facilitate any repackaging which might be needed because of incidental damage or spoilage. Therefore, if the inspectors of the Cuban Ministry of Agriculture follow the inspection procedure used by United States Department of Agriculture inspectors, and if the merchandise is shipped from Cuba to Pompano Beach, Florida, under continuous and adequate refrigeration with a minimum of manual manipulation, these arrangements should meet

satisfactorily the needs of those engaged in the fruit and vegetable trade between the two countries.

For reason of pest risk, mangoes must be fumigated before entry into the United States. When mangoes are to be fumigated upon arrival in the United States, entry is permitted only at Northern ports. Proper fumigation facilities for mangoes exist, for example, in New York City. Ñames may be entered at any port where approved fumigation facilities exist. This is the same procedure that was followed prior to 1957.

I take this opportunity to renew to Your Excellency the assurances of my highest consideration and esteem.

PHILIP W. BONSAL

Cuban Note

Unofficial translation

HABANA, MARCH 25, 1960
Year of the Agrarian Reform

MR. AMBASSADOR: I have the honor to address Your Excellency with reference to the difficulties which may be occasioned to the trade between Cuba and the United States by the decision of the Department of Agriculture in Washington to suspend the service of inspection, which for more than five years has been carried out in Cuban ports, of shipments of Cuban fruits and vegetables to the United States of America, subject to the provisions which regulate the sales agreements (Marketing Agreement).

The complementary character of the agricultures of the United States and Cuba has permitted the development of exports of Cuban fruits and vegetables to the American market, in accordance with the stipulations of the agreements in effect. Since it was much more convenient for the Cuban growers, these required inspections were being carried out in Habana so that in case there should be any doubt about said agricultural products not meeting the requirements of the aforementioned regulations, our growers would save the expenses of shipping, sea freight, customs duties, and of having to reship to Cuba any merchandise that is rejected. Moreover, the Cuban growers had the advantage of being able to replace in Habana any rejected merchandise and thus take advantage of part of the shipment.

According to information obtained in the Cuban Ministry of Agriculture and in the sectors engaged in the export of fruits and vegetables, as well as among the managers of the cooperatives of the National Agrarian Reform Institute, the Government of Cuba considers that the American inspection service carried out in Cuba is a measure mutually favorable to both countries.

As Your Excellency knows, the Revolutionary Government of Cuba, following the technical findings expressed in many reports of Specialized Organisms and of authorities in economic matters, and in response to the needs and objectives of our people, is unfolding a vast plan of agricultural diversification. The diversification of exports and their increase in the lines which most benefit the small producer, like fruits and vegetables, constitute fundamental aspects in the process of the economic development of Cuba.

As the suspension of the American inspection service in the ports of Cuba would affect directly the aforementioned undertakings, without particular benefit for anyone, the Revolutionary Government of Cuba records its displeasure at this measure, which does not exactly tend to improve the relations between the two countries.

I take the opportunity, Mr. Ambassador, to reiterate to you the assurance of my highest consideration and esteem.

RAÚL ROA
Minister of Foreign Relations

U.S. Increases Contribution to World Refugee Year

The Department of State announced on April 12 (press release 186) that, as the result of additional allocations, bringing to over $5 million special funds earmarked for World Refugee Year activities, the United States will spend a total of approximately $70 million on refugee programs during this special year. Robert S. McCollum, the U.S. delegate to the Executive Committee meeting of the United Nations High Commissioner for Refugees, announced new U.S. allocations of $1,550,000 at Geneva on April 12. These allocations increase the U.S. special contribution to the World Refugee Year program to a total of over $5 million.

Being expended in addition to the special fund are approximately $40 million for normal U.S. refugee programs plus about $25 million in surplus foods distributed under the P.L. 480 program.

The new allocation will permit contribution to the High Commissioner of an additional $600,000 to aid Algerian refugees in Tunisia and Morocco, and $50,000 to help European refugees who have fled from the Middle East. An additional $200,000 would go to aid Chinese refugees in Hong Kong, bringing the total special U.S. contribution for this group to $1 million. Another $700,000 will be added to the more than $700,000 already made available for assisting out-of-camp refugees, mostly in Europe, many of whom are in even greater need than those in camps.

Results of Renegotiation by Canada of Textile Concessions Announced

Press release 163 dated April 1

Canada on April 1 implemented the results of the first part of a renegotiation of Canadian tariff concessions on textiles and related products negotiated with the United States and other countries under the General Agreement on Tariffs and Trade. The renegotiation resulted from the continuing revision of Canada's customs tariff which began several years ago. In carrying out this revision, individual schedules of the tariff are referred to the Canadian Tariff Board for investigation and recommendations, and on the basis of these recommendations the language and in some cases the rate structure is revised. Insofar as the revision extends to products which are the subject of concessions in the GATT, international negotiations are required with a view to compensatory adjustments in those cases in which previously negotiated rates are increased.

The recently completed renegotiations between Canada and the United States related to the Canadian Government's proposal for modification or withdrawal of the present Canadian concessions set out in List A. The proposals were based on a recommendation of the Canadian Tariff Board that Canada adopt a new tariff nomenclature for the textile products involved and, in some cases, replace present compound duties with ad valorem duties. The board also recommended changes in duties affecting a number of products on List A, including some moderate duty increases. Total concessions on List A cover products accounting for average Canadian imports from the United States in 1956–58 estimated at Can$141 million and include principally products of cotton, silk, and manmade fibers.

The recently completed renegotiations will result in the inclusion in Canada's GATT schedule (as negotiated with the United States) of the concessions in List B. These concessions cover products accounting for average Canadian imports from the United States in the 3 years 1956–58 estimated at Can$168 million.

It will be noted that both List A and List B contain a large number of identical products. There is, however, a twofold difference in these lists. In the first place, the concessions in List B are in Canada's new tariff nomenclature, and their duties have in a number of instances been changed from previous levels or have been changed from a compound to an ad valorem basis.

In the second place, List B contains a greater number of concessions than List A, including a number of nontextile concessions. As noted above, Canada has as a result of its tariff revision reduced a number of duties on textile products previously negotiated with the United States. The duty reductions made on these textile products, however, did not offset the increases made, and Canada has granted duty bindings on additional textile products and duty reductions on a number of nontextile products to compensate fully for the increases resulting from its tariff revision.

On September 30, 1959, public announcement was made[1] of the intention of the United States to participate in this renegotiation, and the public was invited to submit views with respect to the possible effect on United States trade of the renegotiation by Canada of the concessions involved, as well as views regarding concessions which the United States might seek, or accept, from Canada as compensation for the modification or withdrawal of these concessions. A number of suggestions regarding possible items of compensation were received as a result of this public announcement. Most of the nontextile concessions in List B were negotiated as the result of such suggestions.

LIST A

Concessions in GATT Schedule V—Canada—to the Modification or Withdrawal of Which the United States Has Given Its Agreement

Tariff item number	Description	Rate of duty now in schedule
236	. . . woven fabric of cotton weighing not more than seven and one-half pounds per one hundred square yards	20%
520(1)	Raw cotton and cotton linters not further manufactured than ginned; waste wholly of cotton unfit for use without further manufacture	Free
522	Rovings, yarns and warps wholly of cotton, not more advanced than singles, n.o.p	15%
522b	Yarns, wholly of cotton, coarser than number forty but exceeding number twenty, not more advanced than singles, when imported by manufacturers for use exclusively in their own factories in the manufacturing of cotton sewing thread and crochet, knitting, darning and embroidery cottons	15%

[1] For text, see BULLETIN of Oct. 19, 1959, p. 561.

List A—Continued

Tariff item number	Description	Rate of duty now in schedule
522c(1)	Rovings, yarns and warps wholly of cotton including threads, cords and twines generally used for sewing, stitching, packaging and other purposes, n.o.p.; cotton yarns, wholly or partially covered with metallic strip, generally known as tinsel thread	17½% and, per pound 3 cts.
522c(3)	Sewing thread, wholly of cotton, on spools, not to exceed 250 yards on one spool	20%
522d	Yarns and warps wholly of cotton, mercerized, number forty and finer, imported under regulations prescribed by the Minister, for sale to manufacturers, to be further manufactured in their own factories	20%
522e	Cotton sewing thread yarn and crochet, knitting, darning and embroidery yarn, in hanks, or on dyeing or bleaching cores, when imported by manufacturers for use exclusively in their own factories in the manufacturing or spooling of cotton sewing thread and crochet, knitting, darning and embroidery cottons	10%
522f	Yarns and warps wholly of cotton, number forty and finer, when imported by manufacturers of mercerized cotton yarns, for use exclusively in the manufacture of mercerized cotton yarns, in their own factories	15%
522g(2)	Yarns, wholly of cotton, number forty and finer, not more advanced than singles, when imported by manufacturers for use exclusively in their own factories in the manufacturing of cotton sewing thread	10%
522i	Yarns and warps, wholly of cotton, number 70 and finer, when imported by manufacturers for use exclusively in the manufacture of levers' lace, in their own factories	Free
523	Woven fabrics, wholly of cotton, not bleached, mercerized not colored, n.o.p	15% and, per pound 3 cts.
523a	Woven fabrics, wholly of cotton, bleached or mercerized, not colored, n.o.p	17½% and, per pound 3 cts.
523b(1)	Woven fabrics, wholly of cotton, printed, dyed or colored, n.o.p.:—Valued at more than 80 cents per pound	17½% and, per pound 3 cts.
523b(2)	Woven fabrics, wholly of cotton, printed, dyed or colored, n.o.p.:—Valued at 50 cents or more but not more than 80 cents per pound	22½% and, per pound 3 cts.
523b(3)	Woven fabrics, wholly of cotton, printed, dyed or colored, n.o.p.:—Valued at less than 50¢ per pound	25% and, per pound 3½ cts.
523b(4)	Woven fabrics, wholly of cotton, printed, dyed or colored, n.o.p.:—Woven fabrics, wholly of cotton, commonly known as denims, when imported by manufacturers for use in their own factories in the manufacture of garments	17½% and, per pound 3 cts.
523c	Woven fabrics wholly of cotton, composed of yarns of counts of 100 or more, including all such fabrics in which the average of the count of warp and weft yarns is 100 or more	27½% and, per pound 3 cts.
523e	Woven fabrics wholly of cotton with cut pile, n.o.p	22½% and, per pound 3½ cts.
523f	Woven fabrics of cotton, not colored, for use in the manufacture of typewriter ribbons	12½%
523j	Shadow cretonnes, wholly of cotton, with printed warp and plain weft	25% and, per pound 3½ cts.
523k	Gabardines, wholly of cotton, with not less than 280 ends and picks of ply yarn per square inch	25% and, per pound 3½ cts.

List A—Continued

Tariff item number	Description	Rate of duty now in schedule
523l	Woven fabrics, wholly of cotton, composed of yarns of counts of not less than 80 and not more than 99, including all such fabrics in which the average count of the warp and weft yarns is not less than 80 and not more than 99	20% and, per pound 3 cts.
523n(1)	Cotton bags:—seamless	22½%
523n(2)	Cotton bags:—n.o.p	22½%
524a	Fabrics with cut weft pile, wholly of cotton or of cotton and synthetic textile fibres or filaments	25% and, per pound 3½ cts.
Ex532	Articles made from woven fabrics, composed wholly of cotton, viz:—Tablecloths, tray cloths, doilies, napkins, dresser scarves, wash cloths, bath mats, pillow cases, quilts, counterpanes, sheets and towels	22½%
532	Clothing, wearing apparel and articles made from woven fabrics, and all textile manufactures, wholly or partially manufactured, composed wholly of cotton, n.o.p.	25%
532a	Handkerchiefs, wholly of cotton	27½%
532b	Woven fabric, wholly of cotton, for covering books	25%
532c	Curtains, wholly or partially manufactured, composed wholly of cotton, n.o.p.	27½%
549a	Wool, not further prepared than scoured	Free
549b(1)	Hair of the camel, alpaca, goat or other like animal	Free
549b(3)	Hair, curled or dyed, n.o.p.	15%
550c	Garnetted wool waste in the white when imported by manufacturers of woolen goods for use exclusively in their own factories	Free
550d	Garnetted material, wholly or in part of wool, the hair of the camel, alpaca, goat or other like animal, in the natural or undyed state, but not containing silk, nor synthetic fibres or filaments, nor cotton, for use in Canadian manufactures	Free
551e	Yarns and warps composed wholly of hair or of hair and any vegetable fibre, imported by manufacturers for use in their own factories.	17½%
551f	Sliver strands in warp form, wholly or in part of wool or hair, imported by manufacturers of braided mats and rugs, for use in the manufacture of such articles in their own factories	Free
553(1)	Blankets of any material, not to include automobile rugs, steamer rugs, or similar articles:—(1) Household blankets, wholly of cotton	17½% and, per pound 5 cts.
554a	Woven fabrics, consisting of cotton warps with wefts of lustre wool, mohair or alpaca, generally known as lustres or Italian linings, n.o.p.	20%
558b(a)	Rovings, yarns and warps wholly of synthetic textile fibres or filaments, not more advanced than singles, not colored, with not more than seven turns to the inch, under such regulations as the Minister may prescribe:—Produced from cellulose acetate	22½%
	In no case, shall the duty under the Most-Favoured-Nation Tariff be less than . . per pound	22 cts.
558b(b)	Rovings, yarns and warps wholly of synthetic textile fibres or filaments, not more advanced than singles, not colored, with not more than seven turns to the inch, under such regulations as the Minister may prescribe:—n.o.p.	22½%
	In no case, shall the duty under the Most-Favoured-Nation Tariff be less than . . per pound	22 cts.
558c(i)	Rovings, yarns and warps, wholly or in part of silk, n.o.p., including threads, cords or twist for sewing, embroidering or other purposes	20%

List A—Continued

Tariff item number	Description	Rate of duty now in schedule
558c(ii)	Silk yarns wholly or partially covered with metallic strip, one pound of which shall contain not less than 10,000 yards	22½%
558d(a)	Rovings, yarns and warps wholly or in part of synthetic textile fibres or filaments, n.o.p., including threads, cords, or twist for sewing, embroidering or other purposes, not to contain silk; yarns of synthetic textile fibres or filaments wholly or partially covered with metallic strip, one pound of which shall contain not less than 10,000 yards; under such regulations as the Minister may prescribe:—Produced wholly from cellulose acetate	22½%
	In no case, shall the duty under the Most-Favoured-Nation Tariff be less than . . per pound	22 cts.
558d(b)	Rovings, yarns and warps wholly or in part of synthetic textile fibres or filaments, n.o.p., including threads, cords or twist for sewing, embroidering or other purposes, not to contain silk; yarns of synthetic textile fibres or filaments wholly or partially covered with metallic strip, one pound of which shall contain not less than 10,000 yards; under such regulations as the Minister may prescribe:—n.o.p	22½%
	In no case, shall the duty under the Most-Favoured-Nation Tariff be less than . . per pound	22 cts.
558e	Yarns and warps, wholly of thrown silk in the gum, rovings, yarns and warps, wholly of spun silk, not colored, imported by manufacturers for use exclusively in their own factories for knitting underwear, for weaving, or for the manufacture of silk thread	7½%
558f	Rovings, yarns and warps wholly of spun synthetic textile fibres or filaments, not colored, imported by manufacturers for use exclusively in the manufacture of cut-pile fabrics, in their own factories	25%
	but not less than, per pound	24 cts
558g	Yarns and warps, wholly of synthetic textile fibres or filaments, not more advanced than singles, not colored, with not more than seven turns to the inch, for use in the manufacture of woven cord tire fabric	12½%
	In no case, shall the duty under the Most-Favoured-Nation Tariff be less than . . per pound	11 cts.
560	Woven fabrics wholly or in chief part by weight of silk in the gum, not degummed nor bleached, not less than twenty inches in width, weighing not more than seven pounds for each hundred yards thereof, imported for the purpose of being degummed, dyed and finished in Canada	25%
560a	Woven fabrics wholly or in part of silk, not to contain wool, not including fabrics in chief part by weight of synthetic textile fibres or filaments, n.o.p	25%
	and, per lineal yard	5 cts.
Ex560a Ex564	Woven fabrics wholly, or in chief part, by weight, of silk, imported in the web in lengths of not less than five yards each, for use exclusively in the manufacture of neckties, scarves, or mufflers	15%
Ex561 Ex564	Woven fabrics, of a kind not made in Canada, wholly, or in chief part, by weight, of synthetic textile fibres or filaments, imported in the web in lengths of not less than five yards each, for use exclusively in the manufacture of neckties, scarves, or mufflers	15%
560c	Woven fabrics with cut pile, whether or not coated or impregnated, wholly or in part of silk or synthetic textile fibres or filaments, but not containing wool, n.o.p.	25%
561	Woven fabrics wholly or in part of synthetic textile fibres or filaments, not containing wool, not including fabrics in chief part by weight of silk, n.o.p.	25%
	and, per pound	30 cts.

List A—Continued

Tariff item number	Description	Rate of duty now in schedule
561d	Woven cord tire fabric, wholly or in chief part by weight of synthetic textile fibres or filaments, not to contain silk nor wool, coated with a rubber composition, when imported by manufacturers of rubber, to be incorporated by them in pneumatic tires, in their own factories	15%
564	Woven fabrics, of a kind not made in Canada, wholly, or in chief part, by weight, of silk or of synthetic textile fibres or filaments, or both, imported in the web in lengths of not less than five yards each by manufacturers of neckties, scarves, or mufflers, for use exclusively in the manufacture of such articles in their own factories	15%
567	Clothing, wearing apparel and articles, made from woven fabrics and all textile manufactures, wholly or partially manufactured, n.o.p., of which silk is the component of chief value	30%
567a	Clothing, wearing apparel and articles, made from woven fabrics and all textile manufactures, wholly or partially manufactured, n.o.p., of which the component of chief value is synthetic textile fibres or filaments	27½%
802(b)	Materials and parts as hereunder specified, when imported by manufacturers of umbrellas, parasols, sunshades, walking sticks or canes, under such regulations as the Minister may prescribe, for use in the manufacture of such articles in their own factories: (b) Umbrella-covering fabrics of a kind not made in Canada, whether or not specially treated but not further manufactured than with hemmed selvedges, when imported in lengths of not less than ten yards each, with or without natural selvedges	Free
844	Woven fabrics, open mesh, wholly or in chief part by weight of cotton, imported by manufacturers of bags for use exclusively in the manufacture of fruit and vegetable bags in their own factories	Free

List B

Concessions Canada Will Include in Schedule V—Canada—to the GATT as a Result of Agreement With the United States

Tariff item number	Description	Rate of duty to be included in schedule
66b	Pretzels	15%
142	Tobacco, unmanufactured, for excise purposes under conditions of the Excise Act, subject to such regulations as may be prescribed by the Minister: (b) N.o.p.: EX.(i) Unstemmed, when imported by cigar manufacturers for use as wrappers in the manufacture of cigars in their own factories . . . . . per pound	10 cts.
187e	Sensitized negative film, sixteen millimetres in width, for exposure in motion picture cameras	15%
199m	Woven paper fabrics, open mesh, not less than nine feet in width, for use in the manufacture of carpets	22½%
225c	Sugar cane wax	Free
347e	Electrolytic manganese metal for alloying purposes	5%
414a	Parts of typewriters	7½%
414e	Parts of adding machines	10%

List B—Continued

Tariff item number	Description	Rate of duty to be included in schedule
463c	Motion and still picture screens	10%
465a	Signs or indicating markers of material other than paper with radioisotope activated light source	17½%
465b	Radioisotope activated self-luminous standards for calibration purposes	15%
505f	Southern yellow pine lumber, not further manufactured than planed on two sides, for use in the manufacture of flooring for motor trucks	Free
520a	Raw cotton and cotton linters not further manufactured than ginned	Free
520b	Cotton fibres, n.o.p., and carded sliver, wholly of cotton	10%
521	Yarns and rovings, including threads, cords and twines, wholly of cotton:	
	(1) Singles	17½%
	(3) When imported by manufacturers for use in the manufacture of cotton sewing thread or of crochet, knitting, darning or embroidery cottons:	
	(b) Plied	10%
	(5) Other, n.o.p	20%
522	Woven fabrics, wholly of cotton:	
	(1) Not bleached, mercerized nor coloured, n.o.p	20%
	(2) Bleached or mercerized, not coloured, n.o.p	22½%
	(3) Coloured, n.o.p	22½%
	(5) With cut pile	25%
	(8) Weighing not more than 7½ pounds per 100 square yards, not bleached nor coloured	Free
523a	Clothing, wearing apparel and other articles, made from woven fabrics wholly of cotton; all textile manufactures, wholly or partially manufactured, the component fibre of which is wholly cotton, n.o.p	25%
524	Woven fabrics, open mesh, wholly or in chief part by weight of cotton, imported for use in the manufacture of fruit or vegetable bags	Free
530a	Wool and wool noils, not further prepared than scoured or carbonized	Free
530c	Hair and hair noils: slivers, 50% or more, by weight, of hair; horsehair not further manufactured than dipped or dyed	Free
530d	Hair, curled or dyed, n.o.p	15%
551a	Yarns and rovings, wholly of silk, degummed or not:	
	(3) N.o.p., including threads, cords or twines	20%
552a	Woven fabrics, more than 50%, by weight, of silk, not containing wool or hair	22½%
553	The following, when the textile component thereof is more than 50%, by weight, of silk:	
	(2) Headsquares, scarves or mufflers, made from woven fabrics	22½%
	(3) Clothing, wearing apparel and articles made from woven fabrics, and all textile manufactures, wholly or partially manufactured	30%
559a	Rags and wastes, whether or not cleaned, dusted, willowed, picked or pulled, unfit for use without further manufacture; used textile manufactures or waste portions of unused yarns or of unused fabrics, imported for disintegrating or for the manufacture of wiping rags; none of the foregoing to include remnants or mill ends	Free
559b	Waste portions of unused fabrics, n.o.p., not to include remnants or mill ends	10%
559c	Garnetted material, obtained by disintegrating yarns or fabrics, wholly of wool or hair, in the natural colour of the fleece or the hair	Free
559d	Garnetted material, obtained by disintegrating yarns or fabrics, n.o.p	10%

List B—Continued

Tariff item number	Description	Rate of duty to be included in schedule
559e	Nubs, slugs, slubs, neps or kemps	Free
559f	Washed wiping rags, trimmed or untrimmed; machine wiping wastes or machined journal-box packing wastes	10%
560a	Man-made fibres or glass fibres, not exceeding 12 inches in length	12½%
560b	Sliver, wholly or in part of man-made fibres or of glass fibres	12½%
560c	Man-made filaments or glass filaments imported for converting into lengths not exceeding 12 inches, for use in the manufacture of:	
	(1) Textile yarns or flock	12½%
	(2) Cigarette filter tips	12½%
560d	Man-made fibres, not exceeding 12 inches in length, for use in the manufacture of carpets	10%
561a	Yarns and rovings, wholly of man-made fibres or filaments or of glass fibres or filaments, not more advanced than singles, not coloured, with not more than seven turns to the inch	22½%
	but not less than, per pound	22 cts.
561b	Yarns and rovings, wholly or in part of man-made fibres or filaments or of glass fibres or filaments, including threads, cords or twines, not containing wool or hair	22½%
	but not less than, per pound	22 cts.
561c	Yarns, wholly of man-made fibres or filaments, not more advanced than singles, not coloured, with not more than seven turns to the inch, for use in the manufacture of woven cord tire fabric	12½%
	but not less than, per pound	11 cts.
561d	Yarns and rovings, including threads, cords or twines, wholly or in part of man-made fibres or filaments, not containing silk, wool or hair, for use in the manufacture of fabrics for conveyor or transmission belts or belting containing rubber	22½%
562a	Woven fabrics, wholly or in part of man-made fibres or filaments or of glass fibres or filaments, not containing wool or hair, not including fabrics more than 50%, by weight, of silk	30%
	and, per pound	20 cts.
	Woven fabrics containing five per cent or less by weight, of man-made fibres or filaments or of glass fibres or filaments shall not be dutiable under this item but shall be dutiable as though composed wholly of the remaining constituents.	
562b	Woven fabrics with out-pile, wholly or in part of man-made fibres or filaments or of glass fibres or filaments, not containing wool or hair	30%
562d	Umbrella-covering fabrics, impregnated or not, with or without hemmed edges, in lengths of not less than 10 yards, for use in the manufacture of umbrellas having a rib length of not more than 27 inches	Free
562e	Woven fabrics wholly or in part of silk or of man-made fibres or filaments, imported in lengths of not less than five yards, by manufacturers of neckties, for use in the manufacture of neckties, but not including such fabrics for use as inter-lining	15%
562f	Woven cord tire fabric, wholly or in chief part, by weight, of man-made fibres or filaments, not to contain silk or wool, for use in the manufacture of pneumatic tires, n.o.p.	7½%
	and, per pound	7½ cts
562g	Woven cord tire fabric, wholly or in chief part, by weight, of man-made fibres or filaments, not to contain silk or wool, coated with a rubber composition.	

LIST B—Continued

Tariff item number	Description	Rate of duty to be included in schedule
	when imported by manufacturers of rubber tires, to be incorporated by them in pneumatic tires, in their own factories	15%
562h	Woven fabrics, wholly or in part of man-made fibres or filaments, not containing silk, wool or hair, whether or not coated or impregnated, when imported by manufacturers of conveyor or transmission belts or belting containing rubber, for use in the manufacture of such belts or belting	27½%
563	Clothing, wearing apparel and articles made from woven fabrics, and all textile manufactures, wholly or partially manufactured, the textile component of which is 50% or more, by weight, of man-made fibres or filaments or of glass fibres or filaments, not containing wool or hair	27½%
573a	Linoleum; felt base floor covering not including such materials in which are incorporated synthetic resin sheets or cellulose plastic sheets	25%
586	Anthracite coal; anthracite coal screenings and dust	Free
624a	(5) Toy electric train sets, transformers, parts and accessories for use therewith	20%
663f	Iodized mineral salts, for use in the feeding of animals	10%

Mr. Henderson To Represent U.S. at Iranian Archeological Congress

The Department of State announced on April 14 (press release 190) that Loy W. Henderson, Deputy Under Secretary for Administration and a former Ambassador to Iran, had been named by the White House on April 13 to be the President's representative at the Fourth Congress of Iranian Art and Archeology, which opens at New York City April 24. The President and the Shah of Iran are acting as cosponsors of the Congress.

As the President's representative at the Congress, Mr. Henderson will confer with a number of international scholars gathered in New York to consider the part Iran has played in the earliest cultures of mankind, the emergence of civilization, and the beginnings of community life. The group also will visit Philadelphia, Baltimore, and Washington before the Congress closes on May 3.

Although the Congress is a private venture with no official government connection, the U.S. Government is interested in the success of this international gathering of distinguished scholars in Iranian art and archeology. This is the first Congress of Iranian Art and Archeology since World War II. Previous congresses have been held at Philadelphia, London, and Leningrad.

U.S. Sends Grain to Somalia for Relief of Drought Victims

Press release 191 dated April 14

The U.S. Government is sending 2,000 tons of grain (corn) for the relief of victims of drought in the U.N. Trust Territory of Somalia under Italian administration. The food shipments are being made on a grant basis through the facilities of the U.S. International Cooperation Administration and are in response to that country's request for help to meet its food requirements until after the next major harvest ending in September.

The United States is providing the grain under provisions of title II of the Agricultural Trade Development and Assistance Act (P.L. 480), which provides for the constructive use overseas of surplus U.S. agricultural commodities.

The food will be given free to those in need by the Government of Somalia.

Congressional Documents Relating to Foreign Policy

86th Congress, 2d Session

Extend Export Control Act of 1949. Hearing before Subcommittee No. 1 of the House Banking and Currency Committee on H.R. 10550. March 1, 1960. 47 pp.

Mutual Security Act of 1960. Hearings before the House Foreign Affairs Committee on draft legislation to amend further the Mutual Security Act of 1954, as amended, and for other purposes. Part 2. March 1–3, 1960. 223 pp.

Mutual Security Act of 1960. Hearings before the House Foreign Affairs Committee on draft legislation to amend further the Mutual Security Act of 1954, as amended, and for other purposes. Part 3. March 7–8, 1960. 140 pp.

Overall Limitation on Foreign Tax Credit. Report to accompany H.R. 10087. H. Rept. 1358. March 8, 1960. 20 pp.

Mutual Security Act of 1960. Hearings before the House Foreign Affairs Committee on draft legislation to amend further the Mutual Security Act of 1954, as amended, and for other purposes. Part 4. March 9–11, 1960. 170 pp.

Organizing for National Security: Selected Materials. Prepared for the Senate Government Operations Committee and its Subcommittee on National Policy Machinery. March 10, 1960. 180 pp. [Committee print]

Treaty of Mutual Cooperation and Security Between the United States of America and Japan. Message from the President transmitting the treaty. S. Ex. E. March 10, 1960. 39 pp.

Authorizing Federal Maritime Board To Suspend Tariff Schedules for a Period of 7 Months. Report to accompany S. 3005. S. Rept. 1159. March 11, 1960. 2 pp.

Import Duties on Certain Coarse Wool. Report to accompany H.R. 9322. H. Rept. 1390. March 14, 1960. 10 pp.

Calendar of International Conferences and Meetings[1]

Adjourned During April 1960

U.N. Committee on Information from Non-Self-Governing Territories: 11th Session.	New York	Feb. 23–Apr. 15
ICAO Legal Committee: Subcommittee on Aerial Collision	Paris	Mar. 28–Apr. 8
UNESCO Meeting of Administrators of Technical and Vocational Education in Africa.	Accra, Ghana	Mar. 28–Apr. 9
U.N. ECOSOC Commission on Status of Women: 14th Session	Buenos Aires	Mar. 28–Apr. 14
GATT Committee II on Expansion of International Trade	Geneva	Mar. 28–Apr. 15
UNESCO Executive Board: 56th Session	Paris	Mar. 28–Apr. 29
IAEA Board of Governors: 16th Session	Vienna	Mar. 29–Apr. 7
International Sugar Council: 6th Session	London	Mar. 30–Apr. 1
International Study Group on Lead and Zinc: Statistical Committee.	Paris	Apr. 4–8
FAO Desert-Locust Control Committee: Special Meeting	Rome	Apr. 4–9
International Wheat Council: 29th Session	London	Apr. 5–12
U.N. ECAFE Conference of Asian Statisticians: 3d Session	Bangkok	Apr. 5–15
U.N. Economic and Social Council: 29th Session	New York	Apr. 5–20
Executive Committee of the Program of the U.N. High Commissioner for Refugees: 3d Session.	Geneva	Apr. 7–13
Foreign Ministers Meetings	Washington	Apr. 12–14
U.N. ECOSOC Committee on Illicit Traffic in Narcotic Drugs	Geneva	Apr. 19–22
U.N. ECAFE Working Party of Senior Geologists on Preparation of Regional Geological and Mineral Maps: 4th Session.	Tokyo	Apr. 20–26
ICAO Informal Southeast Asia Regional Meeting on Air Traffic Services/Communications.	Bangkok	Apr. 20–29
GATT Intersessional Committee	Geneva	Apr. 20 (1 day)
IAEA Scientific Advisory Committee to Board of Governors	Vienna	Apr. 25–27
WMO Eastern Caribbean Hurricane Committee: 5th Session	Curaçao	Apr. 25–28
FAO International Meeting on Veterinary Education	London	Apr. 25–29
PAHO Executive Committee: 40th Meeting	Washington	Apr. 25–30
U.N. ECOSOC Commission on Commodity Trade: Special Working Party.	New York	Apr. 25–29
CENTO Ministerial Council: 8th Meeting	Tehran	Apr. 28–30

In Session as of April 30, 1960

Conference on the Discontinuance of Nuclear Weapons Tests	Geneva	Oct. 31, 1958–
Ten-Nation Disarmament Committee	Geneva	Mar. 15–
2d U.N. Conference on Law of the Sea	Geneva	Mar. 17–
U.N. Trusteeship Council: 26th Session	New York	Apr. 14–
Meeting of Experts on the Inter-American Telecommunications Network and ITU/CCITT Plan Subcommittee.	México, D.F	Apr. 19–
U.N. ECOSOC Statistical Commission: 11th Session	New York	Apr. 20–
U.N. Economic Commission for Europe: 15th Session	Geneva	Apr. 20–
ICAO Panel of Teletypewriter Specialists: 4th Meeting	Montreal	Apr. 25–
ILO Petroleum Committee: 6th Session	Geneva	Apr. 25–
U.N. ECOSOC Commission on Narcotic Drugs: 15th Session	Geneva	Apr. 25–
ICEM Executive Committee: 15th Session	Naples	Apr. 26–
U.N. ECAFE Committee on Industry and Natural Resources: 4th Session of Mineral Resources Development Subcommittee.	Tokyo	Apr. 26–
U.N. Scientific Advisory Committee	New York	Apr. 28-

[1] Prepared in the Office of International Conferences, Apr. 15, 1960. Following is a list of abbreviations: CCITT, Comité consultatif international télégraphique et téléphonique; CENTO, Central Treaty Organization; ECAFE, Economic Commission for Asia and the Far East; ECE, Economic Commission for Europe; ECOSOC, Economic and Social Council; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Atomic Energy Agency; IA–ECOSOC, Inter-American Economic and Social Council; IBE, International Bureau of Education; ICAO, International Civil Aviation Organization; ICEM, Intergovernmental Committee for European Migration; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; PAHO, Pan American Health Organization; SEATO, Southeast Asia Treaty Organization; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; UPU, Universal Postal Union; WMO, World Meteorological Organization.

Scheduled May 1 Through July 31, 1960

ICAO Informal Caribbean Regional Meteorology Meeting	Curaçao	May 1–
FAO Group on Citrus Fruits: 1st Session	Madrid	May 2–
NATO Ministerial Council	Istanbul	May 2–
GATT Committee on Balance-of-Payments Restrictions	Geneva	May 2–
U.N. ECOSOC Commission on Commodity Trade: 8th Session	New York	May 2–
International Fisheries Convention of 1946: 8th Meeting of Permanent Commission.	London	May 3–
13th World Health Assembly	Geneva	May 3–
ICEM Council: 12th Session	Naples	May 5–
International Rubber Study Group: 62d Meeting of Management Committee.	London	May 5–
FAO Advisory Campaign Committee on Freedom From Hunger	Rome	May 9–
GATT Committees I and II on Expansion of International Trade	Geneva	May 9–
UNESCO/ILO Committee of Experts on Neighboring Rights	The Hague	May 9–
IAEA Symposium on Fuel Element Fabrication With Special Emphasis on Cladding Materials.	Vienna	May 10–
UNESCO Advisory Committee on the 3d Major Project on Arid Zone Research and Symposium on Arid Zone Problems.	Paris	May 10–
Meeting of Heads of Government and Chiefs of State	Paris	May 16–
U.N. ECE Working Group on Coordination of Agricultural Statistics.	Geneva	May 16–
GATT Contracting Parties: 16th Session	Geneva	May 16–
UPU Executive and Liaison Committee	Bern	May 16–
IMCO International Conference on the Safety of Life at Sea	London	May 17–
International Cotton Advisory Committee: 1st Session of the Committee on Extra-Long-Staple Cotton.	México, D.F	May 18–
FAO Group on Coconut and Coconut Products: Working Party on Copra Quality and Grading.	Rome	May 18–
8th Pan American Highway Congress	Bogotá	May 20–
International Cotton Advisory Committee: 19th Plenary Meeting	México, D.F	May 23–
FAO Group on Coconut and Coconut Products: 3d Session	Rome	May 23–
ICAO Panel on Origin-and-Destination Statistics: 2d Meeting	Montreal	May 23–
ILO Governing Body: 145th Session	Geneva	May 23–
U.N. ECE Group of Rapporteurs on Comparisons of Systems of National Accounts.	Geneva	May 23–
U.N. Tin Conference	New York	May 23–
SEATO Military Advisers	Washington	May 25–
U.N. Special Fund: 4th Session of the Governing Council	New York	May 25–
ITU Administrative Council: 15th Session	Geneva	May 28–
International Union for the Protection of Industrial Property: 24th Congress.	London	May 28–
International Commission for Northwest Atlantic Fisheries: 10th Meeting.	Bergen, Norway	May 30–
International Commission on Irrigation, Flood Control, and Drainage: 4th Congress.	Madrid	May 30–
SEATO Council: 6th Meeting	Washington	May 31–
13th International Cannes Film Festival	Cannes	May
FAO Cocoa Study Group: 6th Session of Committee on Statistics	Rome	May
2d UNESCO Meeting on Salinity Problems	Spain	May
FAO Group on Grains: 5th Session	Rome	June 1–
International Labor Conference: 44th Session	Geneva	June 1–
World Power Conference: 13th Sectional Meeting	Madrid	June 5–
U.N. ECE Housing Committee: 20th Session (and Working Parties).	Geneva	June 6–
FAO Committee on Commodity Problems: 33d Session	Rome	June 7–
7th Annual Electronic, Nuclear, and Cinematographic Exposition	Rome	June 13–
U.N. ECE Subcommittee on Road Transport: Working Party on Construction of Vehicles.	Geneva	June 13–
UNESCO Committee of Governmental Experts on a Draft International Convention and Draft Recommendations on Various Aspects of Discrimination in Education.	Paris	June 13–
International Conference on Large Electric Systems: 18th General Assembly.	Paris	June 15–
U.N. ECE Coal Trade Subcommittee	Geneva	June 20–
U.N. ECOSOC Group of Consultants on the Standardization of Cartographic Names.	New York	June 20–
International Whaling Commission: 12th Meeting	London	June 20–
10th International Berlin Film Festival	Berlin	June 24–
ILO Governing Body: 146th Session	Geneva	June 24–
WMO Executive Committee: 12th Session	Geneva	June 27–
UPU Consultative Committee on Postal Studies: Annual Meeting of Management Council.	Eastbourne, England	June 27–
U.N. ECE Steel Committee: 24th Session	Geneva	June 27–
GATT Working Party on Polish Participation in the Tariff Conference.	Geneva	June 27–
International Wheat Council: 30th Session	London	June 28–

Calendar of International Conferences and Meetings—*Continued*

Scheduled May 1 Through July 31, 1960—*Continued*

Caribbean Commission: 30th Meeting	San Juan	June
IA–ECOSOC Permanent Technical Committee on Ports: 3d Meeting.	Rio de Janeiro	June
Inter-American Seminar on Strengthening the Family Institution	Caracas	June
Permanent International Commission of Navigation Congresses: Annual Meeting.	Brussels	June
7th International Meeting of Tonnage Measurement Experts	Europe	June
UNICEF Committee on Administrative Budget	New York	June
UNESCO Interdisciplinary Meeting on Peaceful Cooperation	Paris	June
UNESCO/IBE: 23d Conference on Public Education	Geneva	July 4–
8th International Grassland Congress	Reading, England	July 11–
Inter-American Nuclear Energy Commission: 2d Meeting	Petropolis, Brazil	July 11–
U.N. Economic and Social Council: 30th Session	Geneva	July 11–
UNESCO Intergovernmental Conference on International Oceanographic Ships.	Denmark	July 11–
South Pacific Commission: 11th Meeting of South Pacific Research Council.	Nouméa, New Caledonia	July 12–
Development Assistance Group: 2d Meeting	Bonn	July
Inter-American Indian Institute: Governing Board	México, D. F	July
U.N. Commission on Permanent Sovereignty Over Natural Resources: 3d Session.	New York	July
U.N. ECOSOC Technical Assistance Committee	Geneva	July

Inter-American Bank Designated Public International Organization

White House press release dated April 8

WHITE HOUSE ANNOUNCEMENT

The President on April 8 issued an Executive order designating the Inter-American Development Bank (IADB) as a public international organization entitled to the benefits of the International Organizations Immunities Act of December 29, 1945.

The International Organizations Immunities Act provides that certain privileges, exemptions, and immunities shall be extended to such public international organizations as shall have been designated by the President through appropriate Executive order, and to their officers and employees and the representatives of member states to such organizations.

The act grants designated international organizations immunity from suit and judicial process and exempts them from customs duties and internal revenue taxes imposed upon goods and effects imported by the organizations for their official use. In addition, the organizations are granted juridical personality thereby enabling them to enter into contracts and to acquire and dispose of real and personal property. The organizations are exempt from including as gross income for income tax purposes the income they derive from investments in the United States. Representatives of foreign governments in or to designated international organizations and the officers and employees of such organizations are granted immunity from suit and legal process relating to acts performed by them in their official capacity and falling within their functions as such representatives, officers, or employees. Representatives of governments and nonresident alien officers and employees of designated organizations may exclude from gross income for income tax purposes the salary paid them by the employing government or international organization respectively. These individuals are exempt also from the application of the Social Security Act, the Federal Insurance Contributions Act, and the Federal Unemployment Tax Act.

The Inter-American Development Bank is a new international organization. Its articles of agreement were formulated on April 8, 1959,[1] by representatives of the United States and the 20 Latin American Republics, who are members of the Organization of American States. The agreement

[1] For background, see BULLETIN of May 4, 1959, p. 646

was submitted to the government of each member of the Organization of American States. Twenty states have now signed and accepted membership in accordance with their constitutional processes, and the Bank is now in existence in accordance with the terms of the agreement. The United States has become a member under the authority of the Inter-American Development Bank Act, approved by Congress August 7, 1959 (73 Stat. 299). The new Bank held its organizational meeting February 3–16, 1960,[2] in San Salvador, El Salvador. Along with other major international financial institutions such as the International Bank, International Monetary Fund, and International Finance Corporation, the Inter-American Development Bank will have its headquarters in Washington.

The formation of the Inter-American Development Bank represents a significant step in the development of inter-American economic cooperation. The establishment of the Bank constitutes a recognition of the special relations, both political and economic, which the various American Republics have with one another and of the desirability of having special arrangements to facilitate mutual economic cooperation and regional development within the Western Hemisphere.

The designation of the Inter-American Development Bank under the International Organizations Immunities Act is designed to facilitate the operations of this new international organization with the United States.

EXECUTIVE ORDER 10873[3]

DESIGNATING THE INTER-AMERICAN DEVELOPMENT BANK AS A PUBLIC INTERNATIONAL ORGANIZATION ENTITLED TO ENJOY CERTAIN PRIVILEGES, EXEMPTIONS, AND IMMUNITIES

By virtue of the authority vested in me by section 1 of the International Organizations Immunities Act, approved December 29, 1945 (59 Stat. 669), and having found that the United States participates in the Inter-American Development Bank under the authority of an act of Congress approved August 7, 1959 (73 Stat. 299), I hereby designate the Inter-American Development Bank as a public international organization entitled to enjoy the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act.

The designation of the Inter-American Development Bank as a public international organization within the meaning of the International Organizations Immunities Act shall not be deemed to abridge in any respect privileges, exemptions, and immunities which that organization may have acquired or may acquire by treaty or congressional action.

Dwight D. Eisenhower

THE WHITE HOUSE
April 8, 1960.

[2] For background, see *ibid.*, Feb. 15, 1960, p. 263, and Feb. 29, 1960, p. 344.

[3] 25 *Fed. Reg.* 3097.

United States Delegations to International Conferences

U.N. Commission on Narcotic Drugs

The Department of State on April 15 (press release 196) announced the members of the U.S. delegation to the 15th session of the Commission on Narcotic Drugs of the U.N. Economic and Social Council, which will convene at Geneva April 25, 1960.

Edward J. Rowell, Foreign Service officer, will head the delegation in his capacity as Acting U.S. Representative on the Commission. Illinois State Senator John P. Meyer, chairman of the joint Senate-House Committee on Narcotic and Dangerous Drugs of the Illinois State Legislature, will serve as principal adviser to the delegation. Other members will include Elwyn F. Chase, Jr., of the Department of State and Charles Siragusa of the Treasury Department.

The Commission on Narcotic Drugs, an advisory body to the Economic and Social Council of the United Nations, meets annually.

This session will consider, among other things, illicit traffic, the Middle East Narcotics Survey Mission, opium and opiates, drug addiction, and carriage of narcotic drugs in first-aid kits in aircraft engaged in international flight.

Current U.N. Documents: A Selected Bibliography[1]

Security Council

Summary statement by the Secretary-General on Matters of Which the Security Council is Seized and on the

[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

State Reached in Their Consideration. S/4301. April 4, 1960. 5 pp.

Letter Dated 29 March 1960 From the Permanent Representative of Pakistan Addressed to the President of the Security Council. S/4292. March 30, 1960. 3 pp.

General Assembly

Executive Committee of the High Commissioner's Programme. Progress Report on UNHCR Programmes for 1959 and on the Former UNREF Programme as of 31 December 1959. A/AC.96/57. March 8, 1960. 137 pp.

Executive Committee of the High Commissioner's Programme. Note on First Report of Special Cases Among Refugees in Austria and Germany. A/AC.96/62/Add. 1. March 9, 1960. 4 pp.

Executive Committee of the High Commissioner's Programme. Progress Report on Programme for New Hungarian Refugees. A/AC.96/58. March 16, 1960. 17 pp.

Economic and Social Council

Elections: Election of One-third of the Membership of Functional Commissions of the Council. Note by the Secretary-General. E/3330. March 7, 1960. 7 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

Agriculture

Constitution of the Food and Agriculture Organization of the United Nations. Signed at Quebec October 16, 1945. Entered into force October 16, 1945. TIAS 1554.
Acceptance deposited: Cameroun, March 22, 1960.

Law of the Sea

Convention on the territorial sea and the contiguous zone. Done at Geneva April 29, 1958.[1]
Ratifications deposited: United Kingdom, March 14, 1960;[2] Haiti, March 30, 1960.
Accession deposited: Cambodia, March 21, 1960.

Convention on the high seas. Done at Geneva April 29, 1958.[1]
Ratifications deposited: United Kingdom, March 14, 1960; Haiti, March 30, 1960.
Accession deposited: Cambodia, March 21, 1960.

Convention on fishing and conservation of living resources of the high seas. Done at Geneva April 29, 1958.[1]
Ratifications deposited: United Kingdom, March 14, 1960;[2] Haiti, March 30, 1960.
Accession deposited: Cambodia, March 21, 1960.

Convention on the continental shelf. Done at Geneva April 29, 1958.[1]
Ratification deposited: Haiti, March 30, 1960.
Accession deposited: Cambodia, March 21, 1960.

[1] Not in force.
[2] With a declaration.

BILATERAL

El Salvador

Agreement relating to the guaranty of private investments. Signed at San Salvador January 29, 1960.
Entered into force: April 8, 1960.

Ireland

Agreement providing a grant to assist in the acquisition of certain nuclear research and training equipment and materials. Effected by exchange of notes at Dublin March 24, 1960. Enters into force on a date to be determined by mutual agreement.

United Arab Republic

Agreement extending to the Northern (Syrian) Region of the United Arab Republic application of the provisions of the general agreement for technical cooperation with Egypt of May 5, 1951 (TIAS 2479), as amended by exchanges of notes of February 21 and 25, 1952, and February 23 and 24, 1954 (TIAS 2479 and 2986), and the agreement for economic development assistance with Egypt of November 6, 1954 (TIAS 3156). Effected by exchange of notes at Cairo April 2, 1960. Entered into force April 2, 1960.

Check List of Department of State Press Releases: April 11–17

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases issued prior to April 11 which appear in this issue of the BULLETIN are Nos. 163 and 164 of April 1, 177 of April 7, and 182 of April 8.

No.	Date	Subject
183	4/11	Note to Cuba on withdrawal of inspectors.
184	4/11	Note to Cuba on dismissal of Navy base employee.
185	4/11	Note to Cuba on exportation of helicopters.
186	4/12	U.S. contributions to refugee programs (rewrite).
*187	4/12	McCollum resignation (biographic details).
188	4/12	Scientific cooperation in Antarctica with Chile.
*189	4/13	Cabot nominated U.S. representative to ECE (biographic details).
190	4/14	Henderson named President's representative at Congress of Iranian Art and Archeology (rewrite).
191	4/14	Aid to Somalia drought victims.
192	4/14	Dillon named escort to President de Gaulle.
*193	4/14	Delegation to Togo independence ceremonies.
*194	4/15	Program for visit of President de Gaulle.
195	4/15	Dillon: Virginia State Chamber of Commerce.
196	4/15	Delegation to Commission on Narcotic Drugs (rewrite).

*Not printed.

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Colombia. U.S. and Colombia Reaffirm Determination To Continue Collaboration on Matters of Mutual Concern (Eisenhower, Lleras) 699

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Background of Heads of Government Conference • 1960

Principal Documents • 1955–1959 With Narrative Summary

This volume contains documents of the period 1955 to 1959 covering the principal developments leading to the May 1960 Paris Conference of the Heads of Government of the United States, the United Kingdom, France, and the Soviet Union. A narrative summary, which precedes the documents, refers to the Heads-of-Government meetings held during World War II and reviews briefly the relations between the Soviet Union and the Western Powers in the early postwar years. It deals more fully with those relations for the period beginning with the Geneva Summit Conference of July 1955.

The documents, all of which have been released previously, include diplomatic communications exchanged by the several governments; a number of official declarations and communiqués; various proposals and statements made at the Heads-of-Government Conference of July 1955 and at the Foreign Ministers Conferences of October–November 1955 and May–August 1959; messages exchanged by President Eisenhower and Soviet Chairmen Nikolai Bulganin and Nikita S. Khrushchev; and press statements and addresses of importance made by President Eisenhower, Chairman Khrushchev, Secretaries of State Dulles and Herter, and others.

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Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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American Foreign Policy Today

by Under Secretary Dillon[1]

The conference you have just concluded provides renewed evidence, if indeed any were needed, that American labor is conscious today as never before of the great efforts which our country must make in the never-ending search for peace. American labor well knows that we can no longer think of our security as something apart, enshrined in a "Fortress America." American labor recognizes that we cannot continue indefinitely to enjoy our material well-being unless other peoples, particularly the underprivileged of the newly developing areas, also prosper. American labor is a truly influential force whose understanding and support of our international objectives are essential to their achievement. I therefore welcome this timely opportunity to discuss three major aspects of our foreign policy:

First, our efforts to preserve the liberty and strength of the free world and to resist the Sino-Soviet imperialistic drive.

Second, our efforts to keep the fierce and inescapable struggle to which we have been challenged by the Communist leaders from exploding into war.

Third, our long-range search for a world order capable of securing peace with justice and freedom.

Soviet power and determination to expand Communist influence throughout the world pose grave and continuing threats to peace. Despite constant talk of "peaceful coexistence," there is no evidence that Communist expansionist ambitions have altered in the slightest. It is true that Soviet rulers now appear anxious to pursue their unchanging goals through nonmilitary tactics—through diplomacy, trade, economic aid, propaganda, and internal subversion. However, they remain confident that the totalitarian system shall prevail. Their present emphasis on nonmilitary measures does not mean that the struggle will be less intense nor the stakes less important. The primary issue today is nothing less than the survival of free men in a free civilization.

Meanwhile the Sino-Soviet bloc maintains enormous military power, which reinforces its constant pressure upon the free world. The risk of armed conflict is always with us. We must mount a vigorous and continuing effort to contain that risk if peace is to be kept.

A first imperative is to maintain our military strength at a level which will insure that the Soviet leaders will never be tempted to unleash thermonuclear war against the United States or its allies. We have such strength today, and I can assure you that our present and projected defense programs will maintain and reinforce this essential strength.

Another imperative is to maintain and reinforce our collective system of defensive security pacts, involving nearly half a hundred nations and reaching the farthest corners of the globe. This collective strength is urgently required to deter the Communists from using local military force—as they did 10 years ago in Korea—to expand their empire. Its need is pointed up by the actions of the Chinese Communists in the Straits of Taiwan, their crime against Tibet, and their recent military pressures on the borders of India.

So long as danger persists and there is no general and effective system of arms control, we and our allies must keep up our defenses. We must

[1] Address made before the AFL–CIO Conference on World Affairs at New York City on Apr. 20 (press release 2).

TATE Bulletin

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not be deluded by any superficial appearance of *détente* into relaxing these efforts.

But this is not enough. To keep the peace we must also try to establish rational communication with the Soviet Union. Despite undiminished Soviet ambitions, there is considerable evidence that the Soviets, like ourselves, are conscious of the dangers of the present situation and wish to reduce the risks of major war. We are seeking to verify this through negotiation. Our immediate objective is to minimize the risk of war by miscalculation. Our ultimate objective is the removal of these dangers through settlement of outstanding issues and the creation of a stable world order. This, however, is a long-range goal which cannot be realized unless and until the Communist leaders abandon their imperialist ambitions.

With these objectives in mind, we are engaged in the arms control conferences at Geneva and are preparing for the summit meeting next month in Paris.[2] We are and shall be openminded in our search for agreements which could alleviate the present dangerous confrontation—but without sacrificing those principles we deem to be right and just.

Problem of Germany, Including Berlin

The central issue confronting the Soviet Union and the Western nations at the summit is the problem of Germany, including Berlin. No issue on earth today is more critical. It involves the immediate fate of 2¼ million West Berliners and the ultimate destiny of about 70 million Germans. It bears directly upon the future stability of Central Europe and the possibility of a lasting European peace. It represents a critical test of the integrity and dependability of the free world's collective security systems, because no nation could preserve its faith in collective security if we permitted the courageous people of West Berlin to be sold into slavery. It also represents a critical test of Soviet good faith in all areas of negotiation. For the goals of disarmament and the general improvement of East-West relations have no prospect of attainment if we find that the Soviet rulers or their East German puppets are prepared to use force or the threat of force in an attempt to isolate and subjugate West Berlin. Finally, we must recognize that the issue of Germany and Berlin, if it cannot be resolved through negotiation, may involve the gravest of all issues: the issue of peace or war.

In the long run the problem of Germany and Berlin can only be solved through German reunification. This the Soviets have so far rejected, fearing to put their rule in East Germany to the test of a free vote. But we cannot abandon our goal or abate our efforts toward its achievement, because we know that a divided Germany will remain a powder keg so long as the division persists. Meanwhile we are willing to consider interim arrangements to reduce tensions in Berlin and lessen present dangers. But we are determined to maintain our presence in Berlin and to preserve its ties with the Federal Republic. We will not accept any arrangement which might become a first step toward the abandonment of West Berlin or the extinguishing of freedom in that part of Germany which is a free, peaceful, and democratic member of the world community.

Soviet View of Berlin

It would be highly optimistic to pretend that prospects of an early agreement are bright. Mr. Khrushchev has had a great deal to say recently which bears upon Berlin and Germany, and his words leave the inescapable impression that the Soviet view of Berlin is far removed from the facts. Let us examine some of his comments.

He begins with the assertion that West Berlin lies "on the territory" of the so-called German Democratic Republic. This is not only false; it is contrary to the pledged word of the Soviet Government. While it is true enough that the Soviet-occupied portion of Germany surrounds Berlin, it is equally true that Berlin was given separate status under the occupation agreements which the Soviets themselves formulated, together with the British and ourselves.[3]

Moreover, the so-called German Democratic Republic is one of the outstanding myths in a vast Communist web of prodigious mythology. Its puppet rulers are totally under the control of Moscow. Despite tireless efforts to build a local Communist apparatus in East Germany, it is doubtful that these rulers could remain in power for a single day without the support of Soviet bayonets. The

[2] For background, see BULLETIN of May 2, 1960, p. 683.

[3] For text of the 1944 agreement defining the status of Berlin, see *ibid.*, Apr. 11, 1960, p. 554.

East German regime is not recognized as a government by any non-Communist nation. Both legally and as a matter of geographic fact, West Berlin is entirely independent of the so-called German Democratic Republic—and it will remain so.

Mr. Khrushchev continues to insist that Western forces leave West Berlin and that it be declared a "free city." He ignores the fact that West Berlin is already a free city—the lone island of freedom within the boundaries of the sprawling Communist empire. When he speaks of making West Berlin a "free city," his meaning is only too clear: He desires West Berlin to be free from protection, free from security, free from its commercial and cultural ties with West Germany—and cut off from freedom itself.

Mr. Khrushchev has also complained that the situation in Berlin is "abnormal." With this contention we can wholeheartedly agree. It is indeed abnormal when 1 million East Berliners are forcibly divided from more than 2 million fellow citizens in West Berlin, when they are constrained to live under a totalitarian regime unlawfully imposed by a foreign power, and when even family units are divided by an arbitrary boundary imposed in the name of a foreign ideology.

But the abnormal situation in Berlin is merely one facet of the greater abnormality created by the artificial separation of the East Zone from the remainder of Germany. The monstrous nature of this abnormality has been strikingly demonstrated by the fact that more than 2⅓ million East Germans and East Berliners have, during the last 10 years, exercised the only franchise available to them and have voted with their feet against Communist rule by fleeing to West Berlin and the Federal Republic.

The abnormality of which Mr. Khrushchev speaks can be cured only by permitting the whole German nation to decide its own way of life. The only practical way in which they can exercise this right is through free elections. Mr. Khrushchev and other Soviet spokesmen have often proclaimed their devotion to the principle of self-determination. This pretense is exposed as an empty gesture when they refuse to apply that principle to Berlin and Germany.

Mr. Khrushchev has also argued that we must move rapidly to liquidate the "leftovers" of the Second World War, among which he includes what he describes as the "occupation" of West Berlin by American, British, and French forces. We are even more anxious than Mr. Khrushchev to liquidate the leftovers of World War II. But Mr. Khrushchev must recognize that these leftovers are rather numerous:

Is the Soviet Union prepared to remove its forces from East Germany and the Eastern European countries on which they are imposed?

Is it willing to grant self-determination to the East Germans and to permit the peoples of the Soviet-dominated states in Eastern Europe to choose their own destiny?

Is it willing to abandon the fiction of a separate north Korea and to permit the entire Korean people to reunite under free elections supervised by the United Nations?

Is it at last willing to cease obstructing the operation of the United Nations Charter—to which the Soviet Union pledged itself in San Francisco and whose application it has consistently frustrated by a series of vetoes in the Security Council?

The United States and its Western allies would be happy indeed to see these leftovers of World War II liquidated. But we are not prepared to begin this process by permitting the isolation and engulfment of West Berlin.

We have repeatedly informed Mr. Khrushchev that we will not negotiate under duress. Yet in his recent statements about his intentions to sign a separate peace treaty with the so-called German Democratic Republic unless an East-West agreement is reached on Berlin, he is skating on very thin ice. We are approaching the summit with every intention of seeking a mutually acceptable solution of the German problem, including Berlin, of seeking just settlements of other international differences, and of exploring ways to improve relations between the Western World and the Soviet bloc. Our positions are flexible, and we are willing to explore every reasonable avenue that may lead to agreement. But Mr. Khrushchev and his associates will be profoundly disillusioned if they assume that we will bow to threats or that we will accept their distorted picture of the German problem as a factual premise upon which to negotiate.

No organization has stood more firmly or been more helpful in the fight for the freedom of Berlin and all Germany than the AFL–CIO. It was in recognition of this fact that your president last December 7th received a high decoration from Chancellor Adenauer. As a Government, we are

proud to associate ourselves with Mr. [George] Meany's statement on that occasion:

> Neither the freedom of West Berlin, nor the freedom of the 50 million people of West Germany, can be objects of international bargaining.

Program for Victory

I have so far outlined those policies which we are pursuing in order to keep the peace. But this alone is not enough. We are energetically striving to advance the freedom and well-being of all the world's peoples. This is our "program for victory"—victory over want and misery in the period of intensified competition with communism that lies ahead.

Your executive council has well stated:

> Hundreds of millions of people throughout the world live in abject poverty and are denied the essentials of political and spiritual freedom. Soviet imperialism continues to intensify and place increasing emphasis on attempts to exploit this poverty and injustice.

It is these underprivileged and newly developing peoples who are increasingly the target of Soviet policy. The Communist drive is far more than economic; it also involves political, psychological, and cultural factors.

As free men we have accepted the Communist challenge in the newly developing areas, confident that our society and principles represent the revolutionary dynamic of freedom that must ultimately prevail. We must continue to carry the message of freedom and share its rewards with the less privileged peoples. Unless they can have hope for the future, their desperate poverty may incline them to Communist panaceas. We must continue to help them gain a stake in freedom. We must work with these peoples to build up their countries on the same basis of mutuality of interest that has guided the diverse groups in the United States in working together to build our great country.

The welfare of all the newly developing areas is a matter of deep concern to us. The position of our friends and neighbors in Latin America is of special importance, and I can assure you that we shall never take our southern neighbors for granted. We are sincerely interested in the advancement of the newly emerging peoples of Africa, and our concern is by no means limited to material progress. We are deeply sympathetic to the yearnings of the African peoples for dignity and equality. It is our sincere hope that the United Nations Security Council resolution of April 1st,[4] which deplored current developments in South Africa and called upon the Secretary-General to consult with the Government of South Africa, will prove to be effective.

I know that I do not have to appeal to you for support in our efforts to extend the blessings of freedom to all men, everywhere. In the resolutions adopted by your convention at San Francisco last September, you called for "an expanded, long-term and fully effective program of economic aid and technical assistance to the industrially less developed nations."

Your strong support of this program is most welcome. I know that you, like most Americans, look upon our Mutual Security Program as a direct investment in our own future safety and well-being.

Private American groups, notably labor, are important in communicating the ideas and values of a free society. Great work has been done by the AFL–CIO, both on its own and with the International Confederation of Free Trade Unions, in assisting free labor organizations in many parts of the world. This work has already made a vital contribution to the development of peoples newly emerging into freedom and statehood.

Labor, as we know, has always been a major target of Communist subversion. With the increased emphasis which the Soviet Union has begun to place on economic penetration, the AFL–CIO and the free labor organizations abroad with which it is associated will be confronted with an even greater challenge in the years ahead. The new Communist competition is being directed very intensively at labor organizations in the developing countries. The task of American labor in making its experience of economic advancement in a democratic framework understandable and usable to the newly developing countries is indeed a challenge which will increasingly require all the ingenuity and perseverance that it can muster. Free labor is in an especially favored position to bring this message to the workers of the developing countries and to point up the illusory nature of the Communist appeal to achieve economic de

[4] For text, see *ibid.*, Apr. 25, 1960, p. 669.

velopment at the cost of personal and national freedom. Free labor, I am confident, will continue to play a highly significant and constructive role in providing ideological leadership, technical guidance, and its rich experience in freedom in support of the legitimate aspirations of workers throughout the free world.

In our dealings with the peoples of the newly developing areas we must always be aware that what we do here at home has a direct bearing on our success abroad. Our country projects its image to all peoples, for better or worse. They are impressed by what we do rather than by what we say. If they see us dealing effectively with our own internal problems—economic, educational, racial, political—they will have the best answer to the Communist argument that only by imitating its own degrading, totalitarian methods can new nations achieve economic development and a high standard of living.

We can and must demonstrate through sustained economic growth that freedom works—that it, better than communism, can mobilize human energies and bring about equitable sharing of the fruits of labor. We can and must bury the Soviet myth that our system is decadent while communism is the "wave of the future."

We can do this—but only if we are deeply aware that our problems are world problems. We must realize that all we do, or fail to do, here at home has a global impact and affects American interests throughout the world.

"Peaceful Coexistence," Soviet Style

We know what "peaceful coexistence" means to the Soviets. The Communist interpretation of "peaceful coexistence" is illustrated by their deeds as well as by their words. Even as they enunciate their doctrine, they proclaim in the same breath that the Communist system will ultimately absorb all other societies. Meanwhile they continue to direct a deluge of poisonous propaganda against neighboring states and to make pronouncements aimed at stirring up domestic controversies within those states. Their subversive agents and puppet political parties are active in nearly every country in the world. Their economic and trading relationships with other countries are designed not just to further legitimate trade interests but as levers to increase their political influence and power. This is "peaceful coexistence"—Soviet style—in action. We also know that to the Soviet Union "peaceful coexistence" even includes the use of military force whenever it suits their purposes, as in the brutal repression of freedom in Hungary.

Actually the very phrase "coexistence" is both weird and presumptuous. Until the rise of such modern totalitarian systems as nazism and communism, the right of separate states and systems to exist was unquestioned. Coexistence has always been assumed to be a minimal condition of peaceful international relations.

But even this minimal concept of "live and let live" is totally inadequate in today's world. We must live and *help* live. What the world really needs is cooperation, a positive and vigorous cooperation through which all systems and societies can join hands in seeking solutions to pressing human problems. The United States believes in the right of all peoples to choose their own beliefs and systems with mutual tolerance and respect for one another. We are convinced, because of our own national experience, that diversity is as useful as it is inevitable, that human differences represent a vital fountainhead of human progress. Let us therefore relegate to the scrap heap the concept of a transitory and uneasy coexistence and seek instead to utilize the diverse attitudes and talents of all peoples to solve the age-old problems of poverty, disease, ignorance, oppression, and injustice. Let us cooperate affirmatively to develop the structure and tissue of a true world community.

Search for an Orderly World Community

Now, what is the goal toward which we are striving? What kind of world do we want to see eventually come into being?

We seek an orderly world community in which the danger of war is no more and where the rule of law allows man to safely devote his energies to the arts of peace.

In its preamble the Western disarmament plan,[5] which was proposed last month at Geneva, makes this clear. It sets as an ultimate goal a secure,

[5] For text of a working paper on general disarmament released on Mar. 14 by Canada, France, Italy, the United Kingdom, and the United States, see *ibid.*, Apr. 4, 1960, p. 511.

free, and peaceful world disarmed under effective international control, where disputes would be settled in accordance with the principles of the United Nations Charter.

To attain this objective the Western plan encompasses two parallel efforts: one to control and reduce armaments, the other to strengthen peacekeeping machinery. The plan calls for progressive disarmament measures which must be mutually binding and adequately inspected.

As a practical beginning we aim at arms control measures to reduce the risks of war by miscalculation and to end the unregulated diffusion of nuclear weapons. For many months negotiation about one such measure—a suspension of nuclear tests—has been under way. If it should be successfully concluded, a significant step toward limiting the further spread of nuclear capabilities will have been achieved. But this is not enough. We further seek prompt agreement—and the sooner the better—on measures to reduce the risk of war by miscalculation, on safeguards against surprise attack, on measures to forestall weapons activity in outer space, and on an inspected halt to the production of fissionable materials for weapons purposes. We recognize that such measures would not drastically curtail existing armed forces. But they would stop the arms buildup and would reduce the danger of global war.

Once a lid has been placed on the presently accelerating arms race, we should push on to far-reaching measures of controlled disarmament. Armed forces should be reduced to levels required only for internal security, and weapons of mass destruction should be eliminated. No nation or group of nations could then defy the organized will and purpose of the world community.

Parallel to the measures for safeguarded arms reduction, we aim for the development within the United Nations framework of a system of universally recognized international law, and of international machinery for the enforcement of such law and for the settlement of disputes arising under it. This would require an international force capable of determining aggression. Certainly this nation will not disarm across the board unless we are assured that an international body is in being to preserve the peace.

These, then, are the ways we seek to advance toward the ultimate goal of a more orderly world. The task will not be an easy one. A look a Chairman Khrushchev's disarmament plan, whicl constitutes the basis of the Soviet bloc positioı in the Ten-Nation Disarmament Conference makes this clear. It is, in fact, not a plan at al but a broad statement of objectives—Communis objectives. Arms control and reduction measure are covered in sweeping generalities. No concret provisions are made for verification and contro arrangements. Nor is there any provision fo policing the peace in a world devoid of arms.

No Quick Solutions Available

We Americans are impatient. We want quick complete solutions. But no such solutions ar available for today's international problems. Onl a world assured of reasonable stability, order, an justice under law can serve the interests of ou country and of all peoples.

Such a world cannot be built overnight. Ye unless we make progress toward it we may reac a point of no return. We shall strive toward it realization—through the U.N., through our dis armament negotiations, through other negotia tions with the Soviet Union, through all the far flung efforts of our people at home and abroa in the fields of defense, of foreign trade and invest ment, of development assistance, of cultural rela tions, of personal contacts and diplomacy.

To succeed, we will need to do more in all thes fields. It is only through our united efforts as nation that we can hope to advance our bes interests in the era of rugged competition that lie ahead.

We are now engaged in a deliberate effort as nation to influence the forces of history on a world wide scale. Ambitious though such a task may be we have no alternative. For unless the rapidl changing world environment is shaped toward new era of general freedom and prosperity and o universal order and law, neither the United State nor any other free nation can live safely—or per haps even survive.

Our awareness of these truths drives home sobering realization of what is required of eac one of us. Our national achievement can be onl the sum total of our accomplishments as individ uals. The Government at Washington has n power or capacity independent of the people wh make up this nation.

This is no time for easy living, for lax standards, or for personal pursuit of material benefits at the expense of the Nation's interest. I appeal to all Americans to demonstrate again that revolutionary zeal and ardor that won our independence, that saved our national unity, that drove Americans on to conquer the wilderness and create a great civilization. We are called upon today, almost literally, to help create a new world.

This is a task to inspire all Americans and enlist their dedicated efforts, today and in the years to come.

The Approach to the Summit

by Andrew H. Berding
Assistant Secretary for Public Affairs[1]

It is always a pleasure to me to talk with an organization that not only has an interest in foreign affairs but also does something about it. The fourth objective of Rotary—"the advancement of international understanding, good will and peace through a world fellowship of business and professional men united in the ideal of service"—cannot be commended too highly. But even more important is the fact that you electrify this ideal through action. The more than 1,000 students you have sent from some 65 countries to more than 40 countries to pursue graduate studies are now aiding you in achieving your ideal. We have known many of these students, some of whom have entered our Foreign Service. They give evidence of superior training and devotion, thanks to the Rotary Foundation Fellowship Program.

Having in mind your established interest in foreign affairs and your membership in well over 100 countries and other areas, I know you will bear with me when I speak today solely on foreign affairs, and also when I concentrate on one major imminent development in foreign affairs.

Three weeks from Monday the eyes of the world will turn to Paris. There President Eisenhower, President de Gaulle, and Prime Minister Macmillan will begin meeting with Soviet Chairman Khrushchev. About 3,000 representatives of news, radio, and TV organizations will cover the summit.

This conference brings together four leaders who have already carried out on their own during the past year an unprecedented series of top-level visits to one another.

The Paris meeting comes about because the United States, along with its allies, believes that international problems should be solved by negotiation, not by force. President Eisenhower has often expressed his willingness to go anywhere, at any time, if he could thereby further the cause of peace.

You know the who and the when of the summit. Now for the why and the what.

Why Negotiate?

The question as to the why is often asked in this way:

> Why should the leaders of France, Britain, and the United States meet with Mr. Khrushchev? Cannot negotiations with the Soviets be conducted at a level which does not involve the President?
>
> Why is there any point in negotiating with Mr. Khrushchev, who says that the ultimate objective of the Soviet Union remains unchanged—the triumph of communism over capitalism?
>
> Why should we negotiate new agreements with the Soviets in view of the fact they have broken so many agreements in the past?

[1] Address made before the district conference of Rotary International at Atlantic City, N.J., on Apr. 23 (press release 210).

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Before answering these questions, let me emphasize that the United States and our allies are going to the summit conference constructively, with the hope of making a contribution to world peace. The Paris meeting stems from the invitation extended to Chairman Khrushchev in December by Presidents Eisenhower and de Gaulle and Prime Minister Macmillan.[2]

The reason we believe it may be fruitful to meet at the summit level is that Mr. Khrushchev has repeatedly made it clear that the real decisions for the Soviet Union are taken at his level—not below. If that is the case—we have no reason to doubt it—we must seek to see through personal diplomacy if Mr. Khrushchev is willing to make decisions with us.

As to whether there is any point in negotiating with Mr. Khrushchev, that remains to be seen; but we would be remiss if we did not try. The process of diplomacy is one of patient searching for the key to stubborn disputes. When two nations, or groups of nations, are deadlocked and no possibility appears to exist for resolving the deadlock, it is the task of diplomacy to leave no grain of sand unturned in the search for any honorable approach that may offer a possibility for eventual agreement. Such searching may last for years. In the end, however, it may yield results. Therefore the obligation that lies upon those who seek to establish a just and lasting peace is to keep up the search, patiently and painstakingly, never losing hope that eventually the goal will be reached.

The issues on which the leaders will be negotiating at Paris are longstanding ones. They have been the subject of many, many meetings since the end of the war. And, following all these meetings, they still remain problems. It would consequently be naive to believe that, in a relatively brief meeting at the summit, these issues could be settled once and for all. Obviously, that is not going to be the case.

The ultimate objective of the Soviets—the triumph of the Communist bloc over the free world—does indeed remain unchanged. Mr. Khrushchev himself, during and after his visit to the United States, has frankly and repeatedly proclaimed this objective. But their tactics for achieving this triumph seem to have altered. They appear to have given up, for the time being at least, the thought of reaching their goal through military means. They appear to be concentrating instead on political, economic, and psychological means. They give an impression of wanting to reduce tensions.

A summit meeting therefore may be eminently useful in probing the sincerity and extent of the Soviets' expressed desire to begin to settle some outstanding issues with the Western allies. There is always the chance that, through a long process of evolution of their thinking, the Soviet rulers may eventually abandon their dream of dominating all other peoples and concentrate on improving the lot of their own people.

I now come to the third question I posed: Since the Soviet Union has broken many agreements, why negotiate new ones?

The answer is that we are willing to negotiate not just any kind of agreement with the Soviet Union but only two kinds. One is the type whose execution can be controlled through inspection. Examples would be safeguarded disarmament and suspension of nuclear testing. By insisting on adequate inspection we can rely on something more solid than Soviet good faith to see that such conventions are carried out faithfully. The second is the type of agreement whose execution is controlled through reciprocity. An example is our cultural exchanges agreement with the Soviets. This is so designed that the exchanges in various categories are made to depend upon mutual action. If the Soviets do not carry out their part of a given exchange we do not have to carry out our part. Thus far this agreement, now more than 2 years old, has worked very well indeed.

The best kind of agreement, of course, is one so conceived that both sides find it in their own best interests to observe it. This is the kind the United States seeks to reach with other nations.

What To Negotiate?

As to the question of the *what* at the summit, there is no fixed agenda. But the major subjects to be discussed come under three headings: disarmament, Germany including Berlin, and East-West relations.

On these major topics we and our allies will be well prepared. The Western foreign ministers

[2] For an exchange of messages between President Eisenhower and Premier Khrushchev, see BULLETIN of Jan. 18, 1960, p. 77.

conference held in Washington last week was eminently successful in reaching common positions.[3] Two more foreign ministers meetings will be held prior to the summit to discuss the Western points in further detail. There is no doubt that, when the summit opens, the Western participants will be united on firm but reasonable positions.

But they will face one major difficulty which it is well to appreciate to the full. And the peoples of the world will also face one major difficulty in understanding what goes on at the summit which it is likewise well to appreciate to the full.

This is the fact that in the Soviet Union we face no normal member of the international community. The Soviet leaders operate on the conviction that theirs is the best political, economic, and social system of organizing human society. They believe it is historically destined to supersede all other forms of human organization in the world. They believe they are acting on the mandate of history when they actively promote the absorption of other countries in the Soviet type of Communist system. Thus, when the Western leaders sit down at the summit table they are faced by Soviet chiefs who claim to possess universally applicable doctrines and supposedly scientific truths which only they are fully capable of interpreting and applying.

The frame of reference within which these Soviet leaders conduct their affairs is thus unlike our own. Even though the words we speak are often the same, the meaning is frequently quite different. This is particularly true when we deal in generalities, as is often the case in international conferences.

The Question of Disarmament

The discussion of disarmament at the summit comes after 14 years of sustained Western effort toward agreement which has been frustrated by Soviet obstruction. The United States and its allies have worked unceasingly to attain practical measures of disarmament ever since the end of the war. We have put forward concrete plan after plan, beginning with the Baruch plan of 1946 on atomic disarmament, in an effort to find common ground with the Soviets.

Over much of this time the Soviet leadership has been addicted to high-sounding slogans. The sweep of their pronouncements has generally not been backed by a willingness to act so that equitable, safeguarded agreements can ensue.

Here we have had two basic problems. First, the Soviet leaders have persistently put forward broad generalities such as "ban the bomb," "abolish overseas bases," or, currently, "general and complete disarmament." Many of these slogans have been clearly designed to impel unilateral sacrifices by the free world. These include the dissolution of our defense arrangements with other free countries and the curtailment of our nuclear deterrent without commensurate reductions in Soviet military power.

Some Soviet proposals are plainly fraudulent since, even with modern technology, they are incapable of implementation. Thus for years the Soviets have demanded the "abolition of nuclear stockpiles" while they themselves admit that nuclear weapons can be hidden so that no known detection system can find them.

The Soviets have organized enormous propaganda and agitation campaigns—mass meetings, signatures to petitions, letterwriting campaigns—around their slogans while at the same time refusing to engage in an exploration of how a concrete beginning might be made to end the arms race.

The second problem has been the extreme Soviet sensitivity on the inspection issue. For years Soviet disarmament proposals have proclaimed devotion to effective control. Yet when we get down to concrete cases we are confronted with repeated Soviet refusals to consider specifics until the "principles" are agreed. When we make practical suggestions to reduce the danger of war by miscalculation, to arrest the spread of nuclear weapons, and to end the arms race, they counter with allegations that we merely seek to introduce espionage agents into Soviet territory or to get better target information for our Strategic Air Command. Thus they surround the negotiations with an atmosphere of suspicion and polemics scarcely conducive to success.

The Western participants at the disarmament conference at Geneva have asked the Soviet representatives to study with us eight sets of specific, concrete steps[4] which, if implemented, would put us a long way on the road toward the ultimate goal of a peaceful world. Yet our proposal to prevent the placing of nuclear weapons into outer-

[3] *Ibid.*, May 2, 1960, p. 683.

[4] *Ibid.*, Apr. 4, 1960, p. 512.

space orbit is met by the evasive response that we should worry about weapons on earth. Our proposal to give advance notification of missile launchings and to provide information on the locations of missile sites—a proposal designed to reduce the danger of war by misinterpretation of another country's intentions—is met by the allegation that this is control without disarmament, an intelligence-gathering scheme. And they say this will increase the danger of war because the side that is informed in advance of the other's intended action might be tempted to take preventive action.

There is not a single proposal that the Western Powers have made at Geneva thus far which the Soviets have not answered in this fashion. It is impossible not to conclude that this constitutes a refusal to grapple with the nuts-and-bolts issues of this admittedly complex problem.

There is good reason to believe that Chairman Khrushchev does want a disarmament agreement. This is for two reasons. One is that he has undoubtedly come to comprehend the risks of war inherent in a continued arms race and to visualize the horrible destruction that war would bring with it. The other is that he is committed to making a monument to himself of economic development in the Soviet Union—he has often boasted that the Soviet Union would overtake the United States in production. And he hopes that this economic development will help bring about the eventual Communist domination of the world. Therefore he would like to transfer to this objective much of the manpower and materiel now devoted to arms and armies.

But at the same time he would like to get disarmament at the cheapest possible price, namely, a minimum of inspection. He would like to keep as much as possible of the present Soviet advantage of military secrecy. And he would like to obtain the last ounce of propaganda advantage from each disarmament development.

We on our side will never give up on our insistence that disarmament be accompanied by reliable control and verification. We do this because history has taught that totalitarian states are always ready to sign general statements full of ringing phrases and lofty sentiments but that they will observe such agreements only so long as it suits their purposes. When they believe they can get away with it—when, in Communist phraseology, the "objective situation changes"—they tear up such agreements with no compunction, calling them "scraps of paper."

Meantime we will continue, with our allies, to remain strong and alert. Our defensive alliances will continue effective. And we are confident that the allied peoples will not be lulled into a sense of false security by Soviet propaganda on "peaceful coexistence," which is just another phrase for continuance of the cold war. Nor will they be incited by Soviet propaganda into pressuring their governments to reduce those defense efforts which are necessitated precisely because of Soviet behavior.

The Question of Germany, Including Berlin

As the Western leaders approach the summit they face a similar problem of finding common understanding on the subject of Germany, including Berlin.

The Soviets say they are in favor of a peace-loving, democratic, independent, and unified Germany. Mr. Khrushchev has proclaimed the principle of self-determination for all peoples. Under these circumstances, and interpreting Soviet statements by the standards of free societies, the solution of the problem of a divided Germany would appear simple enough. By applying the principle of self-determination, the German people, in both Eastern and Western Germany, could be given an opportunity to express through free elections their desires on reunification.

Experience has shown, however, that by Soviet definition only countries governed by Communist regimes subservient to Moscow can be "peace-loving, democratic, and independent." But we know that the Communist regime in East Germany was imposed by the Soviets. It has never dared face the people it rules in free, secret elections.

When the Soviet leaders utter lofty aims respecting Germany's future, they are in fact demanding the continued subjugation of the 17 million people of East Germany. What is more, they are seeking to have the same system extended to the free people of the independent and truly democratic Federal Republic of Germany, the partner of the Western community.

With such an approach it is perhaps small wonder that the Soviets persistently reject the very basis on which the West believes German freedom and unity must be founded—free elections. For

they know that if the people of Eastern Germany could express themselves freely and without fear of retaliation, they would overwhelmingly vote to rid themselves of the Communist dictatorship that oppresses them.

From this fear of the free expression of the popular will stems the Soviet position that the only way in which progress can be made toward German unity is through negotiations on an equal basis between the puppet government they have set up in Eastern Germany and the freely elected Government of the Federal Republic of Germany. They have no intention, of course, of permitting the East German regime, which is under their control, to enter into arrangements that might endanger that control. A meeting such as they propose would be, in fact, not between the two parts of Germany but between the Federal Republic of Germany and the Soviet Union.

The Western Powers say that the four major powers with treaty responsibilities in Germany—that is, France, the United Kingdom, the U.S.S.R., and the United States—are responsible for the reunification of Germany on the basis of free elections. That was agreed to in the summit conference in 1955.[5]

The Soviets, however, seek to obtain a propaganda gain now by saying, no, the responsibility for the reunification of Germany is solely that of the German people themselves. But when we ask them what they mean by the German people they say, the governments of East and West Germany. Their proposal for Germans "to sit around one table" is merely intended to obtain prestige and recognition for their East German puppets, who in turn would be emboldened by such recognition to frustrate even more the will of the Germans under their control. While professing to favor reunification, the Soviets perpetuate partition.

The United States will continue to press at the summit and elsewhere for the reunification of Germany. This is a fundamental American policy, and it is likewise the policy of our allies. We believe that the division of Germany is a cruel injustice to the German people and a continuing threat to peace in Europe.

The problem is how to convince the Soviet leaders—who may believe that a divided Germany is essential for their national security—that the reunification of Germany could be an essential element of a working and durable European security system which, in turn, would be an effective guarantee of the Soviet Union's national security.

The problem of a divided Berlin is part of the problem of a divided Germany. Reunification of Germany is the only method for a lasting solution for Berlin. The President and Chairman Khrushchev agreed last September at Camp David[6] that negotiations should be resumed on Berlin, and we are indeed prepared to negotiate. But any agreement reached as to West Berlin must preserve the freedom of its 2¼ million people and their right of self-determination.

As we approach the summit the Soviets have tried to use Germany as a means of dividing the allies. Many hostile attacks have come from Chairman Khrushchev and other Soviet sources accusing the Federal Republic of Germany of being militaristic and seeking to stir up old enmities between Germany and other countries. These attempts have failed. The community of views and interests between Germany and the three Western Powers which will participate in the summit was again manifested at the Western foreign ministers conference in Washington last week. As the Western leaders discuss with Mr. Khrushchev the problem of a divided Germany, the United States is convinced that the Federal Republic of Germany, under the dedicated leadership of Chancellor Adenauer, has proven itself in every way a reliable ally and friend.

The Question of East-West Relations

The final subject scheduled for the summit—East-West relations—is something of a catchall. We cannot be sure what actually may be discussed under this heading, but we will be prepared for any subjects that may logically be raised.

One major contribution, however, that the Soviet Union could make to the betterment of East-West relations would be the application to the countries of Eastern Europe of the principle of self-determination already proclaimed by Chairman Khrushchev with regard to other countries.

We recall the fact that at Yalta in 1945 Stalin agreed that as early as possible governments should be established in Eastern Europe respon-

[5] *Ibid.*, Aug. 1, 1955, p. 176.

[6] *Ibid.*, Oct.12, 1959, p. 499.

sive to the will of those peoples. The Soviets have since prevented realization of this goal.

We have sought to make it clear to the Soviets that we are interested only in true self-government in Eastern European countries, the right of every people to choose the government and social system under which it wishes to live. We are not interested in turning these countries against the Soviet Union.

We are interested in better relations between the Western countries and the Soviet Union, and we believe that one means of helping to bring this about would be to give the countries of Eastern Europe national independence.

Mr. Chairman, we approach the summit conference with a sense of realism based on experience. We hope for progress, at least in the direction of obtaining a clearer idea of whether the Soviets are really ready to negotiate seriously and in good faith with us. But we cherish no illusions. We know that the issues between the Soviet bloc and the free world are deep. They will not be settled in one comparatively brief meeting, no matter at what level.

Our realization of the nature of Soviet motivations, and our determination that they shall not succeed in their aims, do not, however, relieve us of the necessity of constantly exploring the possibilities for reaching agreements which will serve the cause of peace. The free world has succeeded in the past in making limited progress along this path. We owe it to ourselves and to all men who want peace to continue our effort, warily, patiently, and constructively.

Letters of Credence

Turkey

The newly appointed Ambassador of Turkey, Melih Esenbel, presented his credentials to President Eisenhower on April 22. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 205 dated April 22.

North American Broadcasting Agreement Enters Into Force

Press release 201 dated April 20

The North American Regional Broadcasting Agreement (NARBA),[1] signed at Washington on November 15, 1950, entered into force on April 19, 1960. The NARBA was signed by plenipotentiaries of the United States, the United Kingdom for the territories in the North American region (Bahamas and Jamaica), Canada, Cuba, and the Dominican Republic.

On February 23, 1960, the U.S. Senate gave advice and consent to ratification of the NARBA. The U.S. instrument of ratification, signed by the President on March 9, 1960, was deposited with the Canadian Government, in accordance with the terms of the agreement, on April 4, 1960. Instruments of ratification had been deposited previously by Cuba (February 7, 1953) and Canada (April 9, 1957).

It is provided in the NARBA that it shall enter into force on the 15th day after the date on which instruments of ratification or adherence have been deposited by at least three of the following four countries, namely, Canada, Cuba, Mexico, and the United States of America. Accordingly, the agreement entered into force on April 19, 1960, the 15th day after the deposit of the U.S. instrument of ratification.

The NARBA is the third of a series of agreements between countries in the North American region designed to govern the international aspects of standard (AM) radio broadcasting in the region. The purpose is to make it possible for the countries parties to the agreement to make the most effective technical use of the radio frequency bands available for such broadcasting, with a minimum of interference between stations of the several countries, within a framework of international stability.

[1] S. Ex. A, 82d Cong., 1st sess.

National and International Science

by Wallace R. Brode
Science Adviser to the Secretary of State[1]

Whether the title is "Science, Government, and Society," "The Role of Science in Foreign Policy," "The Two Cultures and the Scientific Revolution," "The Scientist in Politics: On Top or on Tap," or "International Science," the theme represents a concern over the lack of integration between science and other elements of our culture. These few titles cited are typical of the great wealth of writing and lecturing emanating from the free world on this broad problem.

Comparable discussions have not been evident in the Soviet press; and [Yevgeniy K.] Federov of the Soviet Academy of Sciences has lamented the scarcity of public exposition by Soviet scientists on the political implications of scientific developments. He pointed out to his colleagues at the annual meeting of the Soviet Academy last year that such participation and contributions by Soviet scientists would not be difficult because they do not have to maneuver between the Government position and scientific objectivity. He indicated that their position has been defined or brought to life by their Government and the noble task of presenting these views is an honor for the Soviet scientist to undertake.

In contrast, in our country free discussions have promoted action in our Government rather than always serving as an exposition of previously determined governmental positions. There have been created scientific agencies such as the National Institutes of Health, the National Science Foundation, the Atomic Energy Commission, and the National Aeronautics and Space Administration. The placing of scientists in key positions—such as Dr. George B. Kistiakowsky, who serves as the Special Assistant to the President for Science and Technology; Dr. Herbert F. York, Director of Defense Research and Engineering in the Department of Defense; Dr. Roy C. Newton, Coordinator for Utilization Research, Department of Agriculture; Dr. James H. Wakelin, Jr., Assistant Secretary of the Navy for Research and Development, and others—as well as my own position in the Department of State—reflects a strengthening of the role of science in the Government. In the work of our Science Office in the Department of State we have created a Science Office in Washington and placed science officers in 10 of our embassies abroad. These science officers provide a major avenue of entry of scientific concepts into our foreign policy, and simultaneously a mechanism is provided by which our foreign policy concepts may be transmitted to our scientific community.

The two committees which Dr. Kistiakowsky chairs, the President's Science Advisory Committee, composed of nongovernment scientists, and the Federal Council for Science and Technology, composed of governmental administrators, exert a strong impact on relating science to other aspects of our Government. Conferences on nuclear test detection, atoms for peace, law of the sea, Antarctica, and telecommunication—all include legal, scientific, economic, and political aspects, and United States scientists actively participate in the consideration of these problems.

In this combination of science and other concepts there is a balance which must be achieved;

[1] Address made before the American Chemical Society at Cleveland, Ohio, on Apr. 9. Dr. Brode was awarded the Priestley Medal, the highest award of the Society, "on the basis of his distinguished service to chemistry as a teacher, in research, in administration, as a contributor to the development of chemistry by his many activities in many professional societies, and as a public servant."

science should join with other elements of our culture so that integrated national and foreign policies will result. While we scientists are generally willing to concede that science should influence our national policy, it is often more difficult for us to admit that our national policy should also influence our science programs. Because the political division of the world places national governments in a more dominating position with respect to citizens than an international coordinating body, so in science the national scientific societies and their publications, abstracts, and exchange programs predominate over an international science program. The extent of engagement in international meetings and activities as compared with national society activity and direct exchange by scientists is definitely limited, both by relative importance of such activity and the impediment of languages, finance, travel, national barriers, and political complications.

Relationship of International to U.S. Science

What is international science? What is its relationship to U.S. science? Actually the position of the United States in science on the international scene is essentially a reflection of our developments at the national level, and our developments at the national level have as one of their mainstays our national science organization activities. For example, in the field of chemistry no international organization begins to approach the force, activity, or contribution which our American Chemical Society makes to the promotion of chemistry, either with respect to activities within this nation or the contact and dissemination of knowledge and research to other nations.

The two primary modes of furthering scientific advances are, first, publication or written communication and, second, the spoken word as in technical papers presented at meetings. There are some 40,000 foreign subscriptions to our American Chemical Society journals and some 6,000 foreign members of the American Chemical Society. The figure of 40,000 foreign subscriptions to our American Chemical Society journals does not include an estimated 10,000 photo-offset copies issued by the Soviets for their scientists. To a degree we provide Soviet science literature to our scientists, but we are handicapped by the need for translation and the attendant printing cost. This meeting of the American Chemical Society, if up to our average, will probably gather 6,000 to 8,000 scientists to hear more than 1,000 technical papers, most of which will be abstracts of papers to be subsequently published in detail.

National scientific societies such as the American Chemical Society must assume a major role in promotion of both national and international science just as separate governments lead in intergovernmental organizations. International programs in science will not supplant national programs except perhaps in some special cases where a regional operation is preferable, such as UNESCO [United Nations Educational, Scientific and Cultural Organization] or WHO [World Health Organization]. International science programs should utilize national or regional programs. The international usage of the regions of the Antarctic, outer space, and the oceans rests on informal cooperative research between scientists of many nations and formal agreements between the separate nations.

We as scientists, and as chemists in particular, are well acquainted with our national science organization, yet it must be obvious that our difficulty sometimes in naming the officers or the location of the secretariat of the International Union of Pure and Applied Chemistry indicates that the role which international science plays in technical activity at the individual level is relatively low compared with national science activities. It is of course to be recognized that we are today engaged in more international activity than in previous generations. The International Geophysical Year was an outstanding success, and it is hoped that there will be an increase in this kind of international scientific activity; but it must also be recognized that the producers, supporters, and consumers of this type of international activity are still organized on a national basis. Recognition of this fact in no way deters those who promote international scientific activity but rather acknowledges that national science is an essential constituent in our international science programs.

We have as a nation been undergoing a continuous growth and evolution accompanied by policy changes in our foreign relations. In fact, policies and programs must be adaptable and changeable to meet the challenge of these changes without deviating from our long-range objectives. With the incorporation of scientists and the science viewpoint into our policy planning, it has been possible to develop and adapt policies to meet the special needs of science.

National policies must be adjusted to meet and either oppose or support the policies of other nations and thus create international policies. Each nation may have essentially the same basic policy as we have, yet directed toward their interest. Our basic policy is to maintain a government which upholds the high ideals of the people of the United States.

Our policies on international meetings, foreign travel, and exchange of publications are all designed to promote to the fullest extent possible, consistent with the best interests of the United States, international science meetings in the United States; to encourage and support travel of United States scientists abroad to attend such meetings; and to support the widest exchange of published scientific material by subsidy and collection. Procedures have been established by which waivers are provided to foreign scientists for attendance at meetings in this country who would otherwise be excluded by law. Science is promoted and supported by many and various special exceptions, waivers, financial support, special attachés, and advisers.

In the latest listing of international scientific meetings, published by the Library of Congress for a projected 3 years, some 825 international scientific and technical meetings are scheduled. The list includes many regional groups, such as European societies, but does not include strictly American society meetings such as those of the American Chemical Society, which may be many times larger with more foreign attendees. However, 115 of the listed 825 meetings are scheduled to be held in the United States, whereas only 12 meetings are listed in the schedule for the Soviet Union in this same period.

Contribution of Scientists to National Programs

There has been in recent years a marked improvement in the free flow of scientific information and data to and from our Nation, and much of this improvement can be credited to the campaign which scientists, and in particular Walter Murphy in the *Chemical and Engineering News*, waged for the revision of regulations controlling the export of technical data. This is just another illustration of scientists participating in the development of policy to promote our national scientific programs.

Special scientific committees contribute to formulation of various aspects of our foreign aid program in African, Asian, and South American areas. Because some Government agencies concerned have recognized the necessity for continuous and internal scientific advice, a scientific staff is often added to their organizations. Thus scientists employed by the Government have been providing scientific viewpoints in such deliberations as conferences on law of the sea and telecommunications. The fact that scientists have been recruited by Government agencies to assist in developing our policy positions should not be interpreted as a deterrent to other scientists to present their views. The gathering of these viewpoints is part of the governmental scientists' role. In other words, a true integration of science with other elements of our culture in governmental policy represents an appraisal of separate scientific positions, whether they be academic, industrial, or institutional, and an appropriate incorporation of these into our national policy.

In a recent debate between a Member of our Senate and a European scientist on the general subject of whether a scientist should engage in rendering political decisions, there was quite a difference of opinion. The expressed view of the Senator was that scientists should refrain from political activities and leave these to the seasoned and experienced politician. The scientist, however, maintained that the scientists had just as much right as anyone to delve into politics. What was missing from this discussion was the recognition that there is a need for people trained in both natural and political sciences in order to make wise decisions in this age when science should be an integral and interdependent part of our national policy promotion.

Scientists have an opportunity and a responsibility today, which is greater than ever before, to become leaders in a new concept of national government and world cooperation. It should be recognized that this would require an integrated program of the natural sciences with the economic, social, psychological, and political sciences. This does not mean that natural science would simply be a tool of the other sciences; it also does not mean that natural science would override considerations of the other sciences. It does mean an honest effort of those concerned to develop a tolerance, an understanding, and a will to work toward this unified outlook.

Those who would separate science and scientists from our national policies and responsibilities

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have sometimes done so in order to disavow responsibility when actions are taken which are contrary to our governmental policies. Any individual listed as officially representing the United States, whether he is a scientist or not, has a responsibility to support his Government's policies on all issues which may arise at the forum where he has official status. If on peripheral issues the scientist has personal views in conflict with his Government's policy, it should be incumbent upon him, so long as he accepts official responsibility, to present his Government's position on these peripheral matters and to refrain from any action which would negate that position.

It is reasonable to assume that there are areas of foreign policy in which scientists' influence in policy formation or administration should be comparable to that of the nonscientific citizen, but as the subject becomes more scientific in character the specialized competence of the scientist should exert a greater influence. Under such a planned program it would appear that the policies thus determined should in fact be acceptable to the scientist as guidelines to his operation in national and international programs.

Coordination of Science and National Policy

The separation of science from other elements of our society is about as impossible as separating basic from applied research. Our science officer in Bonn, Germany, Professor Ludwig F. Audrieth (who is on a leave of absence from the Department of Chemistry of the University of Illinois), has in an excellent appraisal indicated,

> I would make a strong plea for a position that so-called fundamental research must be objective and not merely dedicated to an increase of the world's sum total of knowledge. If the theoretical pronouncements of science cannot eventually find application in the betterment of human life, such knowledge is barren and unproductive. I believe that it is unwise for us to continually emphasize fundamental research and not to take into consideration the accomplishments which derive from application. Fundamental research and development are both part of the whole spectrum of science and technology as applied to modern life. Education, research, development, production and usage constitute overlapping areas; each cultural area has a stimulating effect on the other phases of a total cyclical process. We cannot afford to differentiate, rather we should make an effort to integrate basic science with applied programs within a total process.

However, in the U.S.S.R. the president and vice president of the Academy of Science, [Aleksandr N.] Nesmeyanov and [Aleksandr V.] Topchiyev in the annual Academy report of last year hav carried this theme of coordination of basic science applied science, and national policy to an extrem in that only those science programs which furthe the Communist Party's aim are promoted.

Nesmeyanov said:

> The chief task lies in sharply intensifying the respons of science to the country, to its national economy, to it culture, and in increasing the effectiveness of scientifi research operations by concentrating them in the mos important directions.

Topchiyev said:

> The party teaches us that when tasks have been deter mined, it is necessary first of all to organize our force in such a way as to solve the tasks placed before us wit a minimum expenditure of resources and with maximu effectiveness. The new increase of research works i decisive sectors of science will require a fundamenta reorganization of the Academy of Sciences, U.S.S.R., an its institutions. The reorganization of the Academy mu guarantee that scientific work is brought closer to th demands of life. . . .

Topchiyev presented a priority list of 30 mos important problems to be studied and solved. I the area of chemistry items included were: stud and creation of new semiconductor materials chemistry of high-molecular compounds; the cr ation of a general theory of the structure an properties of polymers, and the search for princ ples and methods of producing rubber, fibers, an plastics of a given structure and a given set c chemical and physicomechanical properties; star ing and auxiliary substances for the conversio of petroleum, gas, and mineral raw material chemistry of natural and biologically importa compounds; research on the structure and pro erties of proteins, carbohydrates, and nucleotide production of new effective antibiotics (primaril anticancer and antivirus); synthesis of new vit mins, enzymes, and medicines; metals and allo (primarily zirconium, niobium, tantalum, bery lium, germanium, lithium, selenium, and tellur um); radiochemistry, the chemical action of pen trating radiation, the use of isotopes; natural la governing distribution of most important miner resources in the earth's crust; biochemistry, tec nical biochemistry, and photosynthesis.

It should be recognized that, whereas most c these programs can be directed toward develo ment of peaceful scientific advances, they can al be applied for military or economic purposes an a concentrated effort devoted to this limited li

f projects could with reasonable accomplishment ead to higher prestige to the Soviet science program and to its stated national economy objectives. he concentration of effort and the proposed reorganization of Soviet science to achieve these hemical goals (as well as similar physical, biological, engineering, and social programs) demnstrates the dedicated way in which the Soviets re pursuing their objectives.

In contrast are we in this nation considering e extent of planning essential for long-range ience programs and also successful national and oreign policies? We are certainly moving toward ich planning in our legislative studies and agency lanning, but our many varied agencies and rganizations in science and technology in governmental, state, private, and industrial areas quire a careful and well-conceived plan of peration.

Our free-world nations have made advances toard the strengthening of science in their governental organization. Great Britain has recently eated a ministry for science. Cabinet-level or ear-cabinet-level status to science has been established by France, Belgium, Canada, South Africa, apan, and other nations.

Last December, in addressing the American Asociation for the Advancement of Science, I cited e need for planning our science program at the ational level and suggested the creation of a mmission to study this problem. It would be y hope that such a commission would develop ggestions for coordination of our national science program. I am not recommending that the lution should be a department of science, a mmission, institution, or foundation. Rather I n recommending that we face up to and handle e problem of creating a proper position for science in our national policy and operation.

There are many implementing policies and acities which are promoted by our Government, cieties, and individual citizens which are anned or performed with a feeling that these tions are in consonance with our basic policy. e may, however, find that some activities or ograms conflict with each other, may not in ct be in our best interest. In such cases there y well be a need for a reorientation or program ange. The increasing penetration of science d technology into our national lives is a two-y effect depending on which area of the "two ltures" one inhabits. A fusion is to be encouraged and supported, for there must be an acceptance of the interdependence of science and national policies. Each includes portions of the other, and both are directed and supported by our basic policy of furthering the best ideals of our country. It is essential that our science program represent a balance between national and international efforts which will simultaneously preserve national and free-world ideals, security, and prestige and promote worldwide cultural advances. The United States position and prestige in the world of science is dependent on our doing good work in science, publishing our results, and giving our scientists adequate recognition for their accomplishments.

U.S. and Canada To Hold Talks on Wilderness Preserves

White House press release dated April 12

The White House announced on April 12 that arrangements have been made for informal consultations to take place between the President's Quetico-Superior Committee and a similar committee which is being created by the Prime Minister of Ontario, Leslie M. Frost. The objective of these consultations is the adoption of similar policies for the administration of the wilderness preserves maintained on both sides of the United States-Canada border by the U.S. Government and the government of Ontario.

The chairman of the President's Quetico-Superior Committee is Charles S. Kelly of Chicago.

Members of the Quetico-Superior Committee appointed by President Eisenhower will meet intermittently with a committee named by Prime Minister Frost of the Canadian Province of Ontario to develop coordinated plans for the parks area. The Department of State and the Canadian Department of External Affairs assisted in the negotiations. Members of both committees will meet from time to time to review administrative matters relating to their respective sections of the area. These consultations will be made known to the two Governments.

The two areas concerned are both set aside as wilderness recreation zones and form a natural geographic unit. They have strong historic interest, as the old *voyageurs'* canoe route to the West goes through the heart of the country along the international boundary line.

The Ontario portion of the area still contains much virgin country. On the United States side there has been a restoration program under way for several years. To date some $1.5 million have been spent restoring to wilderness a million-acre tract along the border. Congress is currently considering appropriating an additional $1 million for this purpose. There are no public roads in this wilderness region on either side.

The Quetico-Superior area has a continentwide reputation as canoe country. Replete with lakes connected by comparatively short portages, it is renowned among sportsmen, and each year many thousands of them travel through it by canoe.

Proposed Waiver of Cargo Preference Rule on Indus Project Explained

Press release 199 dated April 19

DEPARTMENT ANNOUNCEMENT

As announced in a Department of State press release issued on February 29, 1960,[1] the Government of the United States proposes to participate in the financing of the plan proposed by the International Bank for Reconstruction and Development for settlement of the Indus waters dispute between India and Pakistan. Legislation providing for this participation has been introduced in this session of the Congress as an amendment to the Mutual Security Act. One section of this proposed legislation provides that funds appropriated pursuant to that act might be used without regard to the 50/50 provision of the Cargo Preference Act "whenever the President determines that such provisions cannot be fully satisfied without seriously impeding or preventing accomplishment of such purposes."

On April 5 representatives of the American maritime industry met with Under Secretary Dillon to request that this proposal to authorize waiver of the 50/50 rule insofar as it concerns the Indus basin project be withdrawn. In a letter dated April 6, Ralph E. Casey, president of the Merchant Marine Institute, wrote Mr. Dillon regarding the meeting. In a reply dated April 11, Mr. Dillon explained why the proposed amendment was believed to be important, noting als that a bill containing that amendment had been r ported by the House Committee on Foreign A fairs. It was his belief, he said, that the exec tive branch neither should, nor appropriate could, withdraw its request for the amendmer Copies of the two letters are attached.

In a press release issued by the American Me chant Marine Institute on April 15, Mr. Cas described this decision by the Department of Sta as "merely the latest in a long series of poli decisions under which the American merchant m rine is sacrificed needlessly for foreign interests He further stated that "in this action with respe to the Indus River project we see the initial cra in the foundation upon which American shippi depends for its very existence."

As stated by Under Secretary Dillon in letter of April 11: ". . . the Executive Bran has no intention whatsoever of seeking to dep from the established policy set forth in the car preference legislation." The proposed authori Mr. Dillon explained, would be "permissive," a the need for its exercise in the near future w not now foreseen. However, Mr. Dillon point out:

> . . . the very fabric of the planning for this project re upon its multilateral character and upon the volunt agreement, by all of the contributors to the Indus Ba Development Fund, to refrain from applying to th contributions the national preference requirements— whatever nature—which would normally govern the of such funds. Were the United States to apply pref ential conditions to its contribution, we could not lo cally oppose the application of counter-conditions on contributions of other nations. The welter of conflicti national conditions which might be expected to ens would complicate the administration of the Indus pr ect to the point where the present proposal would longer be operable. You will recognize that the amo of time and effort which have been devoted to the achie ment of the present solution to the Indus problem ha been enormous, and that we may not again be able arrive at an acceptable solution, should we lose t opportunity.

Having stated why the Department would wish to attach any condition of preference to t U.S. Indus contribution, Mr. Dillon indicat that:

1. There was no reason to believe that substa tial amounts of Indus tonnage would not mo on U.S. flag vessels;

2. Should this amount prove to be lower th that required under the cargo-preference legis

[1] BULLETIN of Mar. 21, 1960, p. 442; see also the President's message to Congress on the Mutual Security Program for fiscal year 1961, *ibid.*, Mar. 7, 1960, p. 369.

ion, it was believed that compensating adjustments in other MSP-financed cargo traffic patterns would obviate the need in the near future to request actual use of the waiver authority; and

3. Even if the program of assistance to South Asia declined substantially, the Department believed that compensating adjustments could hold application of the waiver authority to minimal levels.

In sum, Mr. Dillon concluded:

> . . . we have no intention of departing from the established policy on cargo preference. We will exert every effort to avoid any need to exercise the waiver authority which is sought but we believe its possession would be of significant advantage to the United States Government.

In his press release statement of April 15 Mr. Casey mentioned that the proposed contribution by the United States to the Indus River project amounted to $515 million out of a total of $645 million, whereas Great Britain, "whose shipping interests have long been the archenemy of United States maritime policy," would contribute only 58 million.

In fact, the total cost of the plan evolved by the BRD is estimated to be in the order of $1 billion. The sum of $645 million cited by Mr. Casey is over and above the amounts to be contributed by India and Pakistan and by the Bank itself, the latter amounting to $103 million. The contribution proposed by the Bank for the United States consists of $177 million in grant aid, $103 million in loans, and $235 million in loans and grants in local currencies to be derived from the operations of various U.S. programs in Pakistan. Since the provisions of 50/50 will already have applied to any commodity shipments under these programs, such as that of surplus agricultural commodities under Public Law 480, the application of 50/50 on $235 million of the U.S. contribution will already have been assured.

EXCHANGE OF LETTERS

Mr. Dillon's Letter to Mr. Casey

April 11, 1960

Dear Mr. Casey: I refer to your letter of April regarding the meeting with representatives of the maritime industry on April 5 at which we discussed the proposed amendment to the Mutual Security Act relating to the Indus Basin project. I found the meeting helpful also and hope that it clarified the subject for you.

As I stated at the meeting the Executive Branch has no intention whatsoever of seeking to depart from the established policy set forth in the cargo preference legislation. In seeking an amendment relating to the Indus Basin project we have asked for permissive authority whereunder the President could waive the requirements of the cargo preference legislation with respect to this particular project if he found that the provisions of the cargo preference act could not be fully satisfied without seriously impeding or preventing accomplishment of the Indus Basin project.

As we have explained to the Congress and to you and your associates, we do not foresee need to exercise this authority in the near future. If the present programs of assistance under the Mutual Security Act were to continue at approximately present levels over the period of time that will be required to complete the Indus Basin project, we could probably be reasonably confident that no necessity to waive the provisions of the cargo preference legislation would arise.

Yet the fact that we anticipate ability to compensate within the regular Mutual Security Program for the required proportion of the tonnage deriving from implementation from the Indus Basin project may tend to obscure the importance which attaches to the requested authority to waive the requirements of the cargo preference legislation with respect to this particular project. As you are aware, the very fabric of the planning for this project rests upon its multilateral character and upon the voluntary agreement, by all of the contributors to the Indus Basin Development Fund, to refrain from applying to their contributions the national preference requirements—of whatever nature—which would normally govern the use of such funds. Were the United States to apply preferential conditions to its contribution, we could not logically oppose the application of counter-conditions on the contributions of other nations. The welter of conflicting national conditions which might be expected to ensue would complicate the administration of the Indus project to the point where the present proposal would no longer be operable. You will recognize that the amount of time and effort which have been devoted to the achievement of the present solution to the Indus problem have been enormous, and that we may not again be able to arrive at an acceptable solution, should we lose this opportunity. For these reasons, we would not wish

to attach any condition of preference to our Indus contribution—although there is no reason to believe that substantial amounts of Indus tonnage would not move on U.S. flag vessels. Should this amount prove to be lower than that required under the cargo preference legislation, we believe that compensating adjustments in other MSP-financed cargo traffic patterns will obviate the need in the near future to request actual use of the waiver authority. Even if the program of assistance to South Asia declines substantially, we believe that compensating adjustments could hold application of the waiver authority to minimal levels.

As you note in your letter the progress of legislation is such that a bill containing the proposed amendment has been reported by the House Committee on Foreign Affairs. I do not believe that the Executive Branch should, nor appropriately could, withdraw its request for this amendment.

Obviously the matter is one for the Congress to determine and it will have to decide whether it wishes to deny the authority sought. I believe that the authority does not seriously threaten the interest of the maritime industry and that the existence of such authority will provide a useful assurance should the contingency arise which requires its exercise in order to accomplish the important purposes sought through the Indus Basin project.

I believe that you and your colleagues do appreciate the significant objectives which the Indus River Basin project would promote. As you know the delay in the solution of this problem has long prejudiced relationships between India and Pakistan. Progress on this project should be of major significance in reducing international tensions as well as providing major economic benefits in South Asia.

In sum, we have no intention of departing from the established policy on cargo preference. We will exert every effort to avoid any need to exercise the waiver authority which is sought but we believe its possession would be of significant advantage to the United States Government.

Sincerely yours,

DOUGLAS DILLON
Under Secretary

Mr. RALPH E. CASEY,
President, American Merchant Marine Institute, Inc., 919 18th Street, N.W., Washington 6, D.C.

Mr. Casey's Letter to Mr. Dillon

APRIL 6, 1960

Honorable DOUGLAS DILLON
Under Secretary of State
Department of State
Washington 25, D.C.

DEAR MR. DILLON:

Subject: Cargo Preference Act—Indus River Basi Project

On behalf of the entire maritime industry, I want t express our appreciation for giving so generously of yo valuable time in meeting with us yesterday on problen relating to the Cargo Preference Act's applicability the Indus Basin project. The thorough discussion whic ensued did, I am sure, clarify for our mutual benefit t issues involved.

We were gratified that the Department of State wi as you stated, give serious consideration to withdrawir the waiver provision language contained in section 4 of the Mutual Security bill now being considered by t Congress.

It is our understanding, however, that both on t Senate and the House sides, final markup of this leg lation will be completed in the next day or two. M we suggest, therefore, that if time has moved too quick for the Department to seek withdrawal of the waiv provision at the Committee levels, we would be pleas to arrange for an amendment for this same purpose be offered from the floor in both the Senate and the Hou when the bill is under consideration by each of the f bodies. If the Department would inform the floor ma agers of the bill in both Houses of its desire to acc such an amendment, we feel there will be no difficul whatever in thus accomplishing this purpose, particular in light of the fact that, as it developed during t course of our discussion, the waiver provision of secti 404 was clearly not at all necessary and certainly n at this time.

In this connection we were pleased to note your inte tion to adopt administrative measures to alleviate t problem created by the fact that cargo preference c trols could not be readily applied to procurement und this project. Thus, in order to make up for this de ciency, it is intended that the annual contribution ma by the United States to the Indus Basin project will considered for computation purposes as a part of t overall Mutual Security contribution to this area, a that cargo preference would be applied to procureme under the total sum. By way of example you indicated should the U.S. contribution to the Indus Basin proj be $20 million in any one year, and our Mutual Secur program to Pakistan be $80 million, U.S. flag vess would be assured 50 per cent participation in the to $100 million program, and not merely 50 per cent p ticipation in the $80 million program. Such admin tration of the Cargo Preference Act is entirely feasil as was indicated at our meeting yesterday.

I want to reassure you that ours is a desire to coop ate with the Department to the fullest extent possil We feel that once again we have formulated potent solutions to problems mutually acceptable both to

industry and the Government. If we are given the opportunity in the future for forthright discussion, as was the case at yesterday's meeting, we can reduce to a bare minimum those problems which clearly result from lack of understanding.

Since the matters discussed above require prompt action and a confirmation of our understanding, we would appreciate hearing from you very soon.

Sincerely yours,

RALPH E. CASEY

Don Paarlberg Named Coordinator of Food-for-Peace Program

The White House (Augusta, Ga.) announced on April 13 that the President on that date had appointed Don Paarlberg as Food-for-Peace Coordinator. This is a new post on the President's executive staff. Mr. Paarlberg, who is serving as Special Assistant to the President in the general area of economics, will take over these new duties immediately. He will be located in the White House offices and will report to the President.

Primary objective of the food-for-peace program is the use of our abundant supplies of farm products in meeting the needs of our friends abroad. The Department of Agriculture, working in close cooperation with the Department of State, has major operating responsibility for the program. Various other Departments are involved. Operating responsibility will continue in the executive departments as at present.

The food-for-peace program was first announced by the President on January 29, 1959, in a special message to the Congress on agriculture.[1] At that time the President said:

> I am setting steps in motion to explore anew with other surplus-producing nations all practical means of utilizing the various agricultural surpluses of each in the interest of reinforcing peace and the well-being of friendly peoples throughout the world—in short, using food for peace.

A Wheat Utilization Committee, made up of representatives of the United States, Argentina, Australia, Canada, and France, with the Food and Agriculture Organization of the United Nations participating as observer-adviser, was established in 1959 to explore ways and means of carrying out the objectives of food for peace.[2] Presently a joint mission representing this Committee is completing investigations of various opportunities along this line in the Far East. The mission will return to Washington later this month to prepare a report on its recommendations to the Wheat Utilization Committee.

Chief instrument of the food-for-peace program is Public Law 480, the Agricultural Trade Development and Assistance Act, recommended by the administration and enacted by the Congress in 1954. This is the major legislative authority for the export movement of surplus farm products outside the normal channels of trade. Last year shipments of farm products under this authority reached the following totals (in terms of cost to the Commodity Credit Corporation):

Export sales for foreign currency	$1,195,000,000
Donated for meeting disaster abroad	86,000,000
Donated to needy persons abroad through charitable institutions	210,000,000
Bartered for strategic and critical materials	156,000,000
Total	1,647,000,000

In addition, export sales of agricultural products for dollars last year reached a total of $2,459,000,000.

In his new duties Mr. Paarlberg will expedite interdepartmental decisionmaking and undertake achievement of a better understanding of the program at home and abroad.

Senate Confirms Louis Cabot as U.S. Representative to ECE

The Senate on April 20 confirmed the Executive nomination of Louis Wellington Cabot to be the representative of the United States to the 15th session [Geneva, April 20–May 6] of the Economic Commission for Europe of the Economic and Social Council of the United Nations. For biographic details, see Department of State press release 189 dated April 13.

[1] H. Doc. 59, 86th Cong., 1st sess.

[2] For text of a communique issued on May 6, 1959, at the close of a conference of the major wheat-exporting nations, see BULLETIN of June 1, 1959, p. 793.

The First Japanese Diplomatic Mission to the United States—1860

by E. Taylor Parks

The date of May 14, 1960, marks the 100th anniversary of the arrival at Washington of the first diplomatic mission that Japan ever sent to another nation. Following the Treaty of Peace and Amity (Perry Treaty) of 1854, the growing desire of the Japanese to enlarge their international contacts and the determination of the American envoy, Townsend Harris, to have his nation again furnish the initiative led to the negotiation of a Treaty of Amity and Commerce on July 29, 1858, which included a provision for the exchange of ratifications at Washington before July 4, 1859. Plans were soon underway to dispatch an impressive embassy to participate in the exchange ceremony. However, the date had to be moved up because of personnel changes in the Japanese "foreign office" and because certain highly placed persons tried persistently to keep the old law prescribing the death penalty for Japanese leaving the homeland. New negotiations (March 19, 1859) approved postponement until early in 1860.

Japan, lacking a suitable vessel to convey the mission, had already requested that the United States furnish a man-of-war for that purpose. Townsend Harris had recommended that the request be granted and had written to Commodore Josiah Tattnall, Flag Officer and Commandant of the U.S. East India Squadron. A certain urgency was introduced into the situation by Lord Elgin's invitation for the Japanese to send a mission to London with all "conveyance" expenses paid. Harris' delight at Washington's approval of his recommendation is understandable:[1]

> We were the first nation to make a treaty of amity with the Japanese. This we have followed up by making the first commercial treaty with them, and to have the *éclat* to receive the first embassy from this singular people cannot but redound to our national honor.

In both the Perry Expedition of 1853–54 and the Japanese mission of 1860, the U.S. Navy played a significant role. Admiral Perry negotiated the Treaty of Peace and Amity in Japan; his successors made possible the exchange of ratifications of the Treaty of Amity and Commerce at Washington.

The U.S.S. *Mississippi*, arriving before the embassy was ready to depart, proceeded to another assignment. Commodore Tattnall was then instructed to make the U.S.S. *Powhatan* available. To the accompaniment of lively music and a 17-gun salute, the embassy embarked at Fort Shiba on February 9, 1860. After spending some time on final preparations at Yokohama, the *Powhatan* under Captain George F. Pearson, set sail on February 13.[2]

According to Townsend Harris the embassy was headed by Shimmi Buzen-no-Kami, Muragaki Awaji-no-Kami, and Oguri Bungo-no-Kami and consisted of "eighteen Persons of Rank and fifty three servants"—71 persons.[3]

The *Powhatan* was loaded to capacity. Several guns had been dismounted so that additional rooms could be constructed on deck to accommodate embassy personnel. Japanese mats had been fitted to the rooms, special galley provided for the Japanese cooks, and generous supplies of food and drink brought aboard. Fifty tons of luggage and gifts completed the cargo—a veritable conglomeration of human beings, personal effects, cattle, sheep, pigs, poultry, champagne, fuel, and

• *Mr. Parks is Officer in charge, Research Guidance and Review, Historical Office, Department of State.*

some of the finest specimens of Japanese art and handicraft.

As the *Powhatan* cruised along the coast, Japanese fishermen were amazed to see their officials leaving the country aboard a foreign vessel. Scarcely had majestic Fuji disappeared from view before seasickness struck the passengers. There were hectic and stormy days ahead, causing some to wonder who gave the name "Pacific" to such an angry ocean. The Washington birthday banquet had to be postponed 2 days. The daily concerts could be only indifferently enjoyed. Through it all, however, the Japanese were curious and inquisitive about all they saw. They examined everything aboard and questioned the crew almost endlessly. Chaplain Henry Wood conducted English classes, adding some information in the fields of geography and general science—not to mention a proposal for the reading of the Christian Bible.[4]

Heavy weather compelled a change of course via Honolulu for fuel and repairs. A 10-day stopover there gave the Japanese an opportunity to eat their first bananas, see their first billiard game, and hear their first piano music. The ambassadors were presented to the Hawaiian monarchs, who returned the visit aboard the *Powhatan.* The voyage to San Francisco was pleasant enough, although the travelers seem to have been a little bored by the monotony of ship life.

On March 29 the Japanese were welcomed to San Francisco with flying flags and the appropriate gun salute. The next day they set foot on American soil. Captain Taylor and Commodore Tattnall soon left for Panama and Washington, respectively, to help make arrangements for the visitors aboard the vessel from Panama and in the Nation's Capital.

The ambassadors were delighted to learn that the Japanese escort vessel *Kanrin Maru*, which had sailed a few days before the *Powhatan*, had already arrived at San Francisco and was under repairs at Mare Island. The *Kanrin Maru* was a small sailing craft; it was equipped with an auxiliary steam engine of 100 horsepower for harbor maneuvering but was dependent on sails at sea.

Captain John Mercer Brooke and several American sailors had accompanied the Japanese on the *Kanrin Maru.* The voyage had been so rough that a "quiet dignified meal" had been impossible.

U.S.–Japan Centennial

The Government of the United States and the Government of Japan have jointly declared 1960 a Centennial Year to commemorate the first Japanese diplomatic mission to the United States. This was announced at the White House on January 19 when President Eisenhower and Japanese Prime Minister Nobusuke Kishi signed a Treaty of Mutual Cooperation and Security in the same room in which President Buchanan had received the first treaty mission 100 years earlier.

An Interagency Committee for the Cultural and Public Affairs Aspects of the U.S.–Japan Centennial, on which are represented 10 U.S. Government agencies and the District of Columbia, is planning a series of events in observance of the anniversary, and a similar committee has been set up in Japan. President Eisenhower will issue a proclamation on the Centennial. He will visit Japan in June, and the Crown Prince and Crown Princess will come to the United States as part of the celebrations in the fall.

The crew of the *Kanrin Maru* was hardly prepared to handle sails in such waters, so the American seamen were "afforded an opportunity of rendering important service." During the 37-day voyage, however, the Japanese greatly improved their seamanship.[5] The return voyage was made "entirely under Japanese navigators," although a few American sailors were enlisted. The ship had been repaired and new lockers built at Mare Island without charge to the Japanese.

The people of San Francisco were already accustomed to seeing strange people with swords and hemp sandals when the *Powhatan* arrived. The Japanese from both vessels were much impressed with the size of the hotels, the elegance of the furnishings, and the efficiency of the service, secured by the pulling of a wire cord rather than the clapping of hands. The meals were sumptuous enough but too greasy to be savory according to Japanese standards. The ice in the champagne glasses was a real novelty: some swallowed the pieces; other spat them out; still others chewed them.

American dancing appeared to the Japanese merely as "hopping around the room together." It seemed strange to the visitors that at the American theaters persons playing feminine roles were actually women. The local Chinese theatrical efforts were much more appreciated.

The visitors marveled at the transportation system: use of horses instead of men for burden-bearing, carriages instead of sedan chairs.

The reception of the embassy at the City Hall was an elegant affair, preceded by a 17-gun salute from the Plaza which, incidentally, broke some window panes in the City Hall. The reception was followed by a banquet in the "upper chamber" of Job's Saloon, where some 50 people (including 6 Japanese) were treated to "cold turkey, cold game, salads, ice creams, charlotte russe, all manner of dainty confectionery, and champagne." It was reported that the city supervisors, not the taxpayers, picked up the check.[6]

The *Powhatan* resumed its voyage to Panama on April 7, arriving 17 days later. Crossing the Isthmus by train at the "marvelous speed" of 47½ miles in 3 hours on the recently completed Panama Railroad was really a novel experience for the Japanese. They marveled at the "electrical devise" (telegraph) that made possible the transaction of business across the Isthmus as quickly "as taking a smoke." At Aspinwall (Colón), Captain William F. Gardner and the U.S.S. *Roanoke*, bearing the flag of Commodore William J. McCluny, were awaiting the visitors. The voyage to Sandy Hook, then to Hampton Roads (April 26–May 12), seems to have been relatively uneventful.

Meanwhile, elaborate preparations were being made at Washington to receive the visitors. Congress had appropriated $50,000 for the entertainment of the embassy. This sum was later supplemented by funds made available by the cities of Baltimore, Philadelphia, and New York. There is evidence that the "Japanese Committee" in New York spent $105,000.[7] In Washington special quarters at Willard's Hotel were already prepared, several of the rooms furnished in rich and luxurious style. The Navy Department, at the request of the Department of State, appointed three of its ablest officers to serve as a special "Protocol Committee": Captain Samuel F. DuPont, Commander Sidney S. Lee, and Lieutenant David D. Porter. Anton L. A. Portman was employed as interpreter. All four of these men had been recent visitors to Japan.[8]

This special committee, along with Henry Ledyard, son-in-law of Secretary of State Lewis Cass, were aboard the *Philadelphia* at Hampton Roads to welcome the Japanese. After short stops at Fortress Monroe and Mount Vernon, the embassy reached the Navy Yard at Washington on May 14—3 months and 1 day after leaving Japan. A tremendous ovation awaited them.[9]

At 10 a.m. officers of the Navy Yard arrived and assembled in full dress in Commandant Franklin Buchanan's office for further orders. The military—marine, regulars, and volunteers—formed on the parade grounds in front of the landing, where Japanese and American flags were displayed. As the *Philadelphia* approached, a gun was fired and all employees of the Yard left their work to form lines on each side of the main avenue in front of the anchor house. Congress had adjourned so that members could attend the ceremony. For 2 hours before the arrival of the *Philadelphia*, continuous streams of interested and curious people arrived by carriages, buses, and on foot. Youngsters climbed atop piles of cannonballs and howitzers, even onto the roofs of the ship-houses. More than 4,000 persons were on hand at the Navy Yard, and some 20,000 took positions along the route of the procession.

On arrival of the embassy Captain Dahlgren ordered the usual 17-gun salute. Simultaneously a staff with large American and Japanese flags was raised. Government officials were already on hand. As the vessel was made fast, the Marine Band on the upper deck "discoursed the most delightful melodies" and the ever-present Japanese artists appeared on deck to make sketches of the crowd. On board, welcoming addresses were delivered by Mayor James G. Barret and Commandant Buchanan, a former member of the Perry Expedition.[10]

After an official photograph, special carriages conveyed the group to their quarters at Willard's Hotel, Pennsylvania Avenue at 14th Street, Northwest. There was a military escort with marching music. As the procession started, "all order came to an end," and the crowd broke through the lines, jostling the military and police and sometimes forcing the carriages to stop. The streets were so choked with eager humanity that it took an hour for the parade to reach the flag-bedecked Willard, where an honor guard of 100 soldiers awaited.

Throughout the arrival ceremonies the famous "Treaty Box," containing copies of the Treaty of July 29, 1858, and other appropriate documents, was conspicuous. It was reported to have been

National Archives, Washington, D.C.

The first Japanese diplomatic mission to the United States, photographed with their hosts at the Navy Yard, Washington. Seated, left to right: Tsukahara Jungoro, governor; Naruse Zenshiro, governor; Muragaki Awaji-no-Kami, second ambassador; Shimmi Buzen-no-Kami, first ambassador; Oguri Bungo-no-Kami, third ambassador; and Morita Okataw, treasury official.

three by two by one and one-half feet in dimensions, made of "very light wood, covered with the best lacquer [or "red morocco leather, stitched around the edges"] . . . lined with crimson silk," with lock, key, and hinges of gold. Borne by poles on the shoulders of four men, it preceded the ambassadors off the ship and was accorded a special place of honor in the procession.[11]

One Washington newspaper thought the entire affair had been "most appropriately conducted" and that the arrangements throughout had been "marked by a happy mixture of democratic simplicity and official ceremony becoming the occasion and well-fitted to conciliate regard and confidence of our illustrious visitors, without departing from the plain and unpretending habits of our people." [12]

The Herald was also impressed with the Japanese: "With all of them ease and dignity are seen in happy combination; nothing seems to surprise them, but everything attracts their attention and curiosity." [13]

From this time until the departure of the embassy from New York on June 30, the DuPont-Lee-Porter "Protocol Committee" was in charge of all arrangements.

The ambassadors turned first to their official duties. They immediately notified Secretary Cass of their arrival, called at the Department of State on May 16 to deliver a letter from the Japanese "foreign office," presented their credentials to President James Buchanan on May 17, and exchanged ratifications of the treaty on May 22.

The presentation of credentials was an especially "novel, striking, and interesting" ceremony, requiring an hour and 45 minutes. The principal officers, wearing colorful court dress, rode in carriages preceded by the Marine Band, flanked by U.S. Marines, and accompanied by Japanese guards with undrawn swords and ensigns carried

atop long poles—a strange procession as it moved from the Willard to the White House. The famous East Room was crowded to overflowing with civil and military officials in splendid dress and uniform, all anxious to catch a glimpse of the strangers. Announcement of their arrival caused a rush to the windows. During the ceremony that followed, three ladies and a Senator were noted standing on a single chair. The speeches were scarcely audible above the din, but the ceremony was performed with dignity and in the best oriental court tradition.[14] The next day Secretary Cass entertained the visitors at a ball.

On the evening following the exchange of ratifications (May 22), the chief ambassador held a "levee" at the Willard. Many officials attended.[15]

With diplomatic business completed, the Japanese sought opportunities to explore the life of the city. They visited the Halls of Congress. Of this one diarist wrote: "As we entered, a member was making a speech at the top of his voice . . . There is no end to speakers . . . some speaking quietly, some wildly brandishing their arms. . . ."[16]

Three Japanese physicians who were members of the visiting party conferred with local counterparts, who were much impressed with their knowledge of medicine.[17] Some time was spent at the Navy Yard and at the Smithsonian Institution, where one person at least mistook the costume wigs of the Presidents for hair preserved from dead men and placed on display—a "disgusting custom."[18] There were official discussions of coinage, and arrangements were made for the

Historiographical Institute, Tokyo University

Presentation of an American lady to the Japanese ambassadors at Willard's Hotel, Washington, D.C.

ambassadors to visit the Mint at Philadelphia.

At the President's dinner on May 25, the "strange custom" of each man accompanying a lady to the table was cause for comment.[19] Although the Japanese were unusually adept at imitating occidental etiquette, one diner drank the water from his finger bowl before realizing its intended use.

Meanwhile, the routine at Willard's Hotel was definitely disrupted. The Japanese visitors continued to be the objects of warm and keen interest to both sexes and to all classes. The embassy occupied some 60 rooms, an entire wing extending from Pennsylvania to F Street.[20] The eight soldier guards found it impossible to keep the halls cleared of curious sightseers. The lobby was constantly crowded with people seeking an opportunity to shake the hands and to secure the autographs of the visitors.[21] The gifts intended for the President and other officials were for a time put on display.

There were dances, banquets, and magic-lantern shows at the hotel. The President attended one such show with no aides along—to the amazement of the Japanese. They were also surprised to see that there was "no policeman in the President's house and no fortress in his yard" and that the "home of the Secretary of State was not as fine as the Hotel." [22]

Posing for photographers became almost burdensome except to a young interpreter, Tataiesi Owasjero, nicknamed "Tommy." This 17-year-old adopted son of the second interpreter had learned English at a Dutch school at Nagasaki. He had been a sort of "pet of the ship" en route to San Francisco.[23] In Washington, and later in Baltimore, Philadelphia, and New York, he became a still greater favorite with the fairer sex. He made good use of his limited English vocabulary, learned to sing and whistle "Hail Columbia" and "Poppy [*sic*] Goes the Weasel," and acquired an extensive range of profanity. His recklessness and "spirit of deviltry" caused "bevies of maidens [to] gaze beneficently upon him . . . and to extend to him unreluctant hands." Of this "male coquette," a New York *Herald* correspondent wrote: "He smiles sweetly on all, and bestows on one the bouquet he gets from another." However, his popularity suffered somewhat when he tried to verify the impression that the hoops and superstructure of women's clothes were solid.[24]

Some impressions acquired by the visitors regarding American life and habits are difficult to explain: (1) all Americans are Roman Catholics; (2) laws prohibit men and women from marrying before the ages of 21 and 18, respectively, for health reasons; (3) women's evening gowns generally cost $1,000 to $10,000; (4) it costs $100,000 to construct a home.[25]

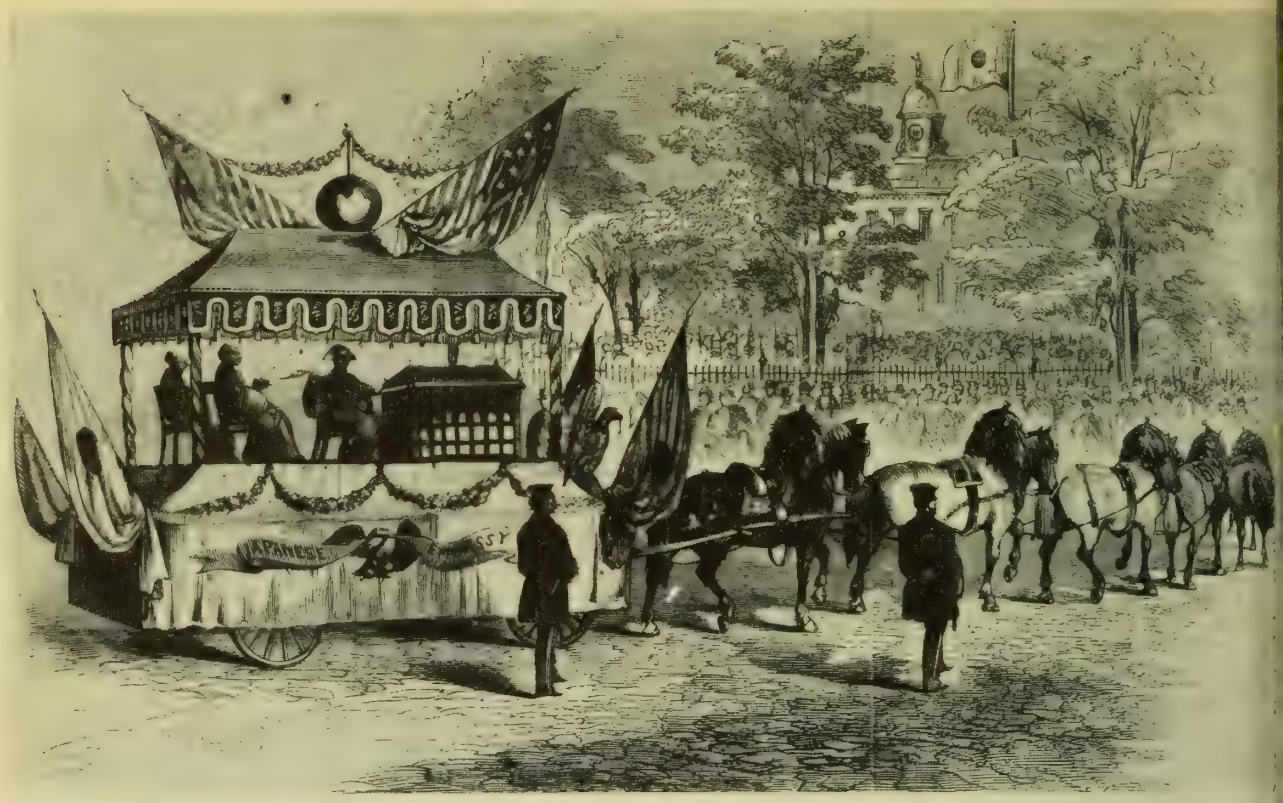
The comment of Yanagawa Masakiyo on American newspapers still has some validity: "In Japan papers are printed once or twice a month but in western countries they are printed daily, although the news is only slightly different." [26]

After a few weeks in Washington the visitors became anxious to return home. They declined invitations to visit Norfolk, Trenton, Jersey City, Boston, and Providence. At the last audience with the President on June 5, special commemorative gold medals were presented to the three envoys. Twenty silver copies and fifty bronze ones were given to them for distribution among their suite.[27]

During the visit official gifts were exchanged. Those from Japan, earlier on display at the Willard, were described as being "of the richest materials and most elaborate workmanship, exceeding in beauty what even the highest estimate had made of Japanese taste and skill." [28] The State, War, and Navy Departments presented certain gifts in return, including some arms and munitions. Captain James W. Ripley of the Army and Lieutenant Henry A. Wise of the Navy were detailed to explain their construction and use.[29] The U.S. Agricultural Society presented a collection of nearly 100 varieties of field and garden seed.[30]

When so many newly made friends called at the hotel to bid farewell, one member of the embassy admitted: "We all wept. Seeing them also weeping, we realized they are tender-hearted people." [31]

The impact of this group upon the life of Washington seems phenomenal when it is remembered that their visit coincided with the Republican nomination of Abraham Lincoln for the Presidency, the split in the Democratic Party, and the intensification of the national crisis preceding the Civil War. It is not clear whether or not the Japanese sensed the emergency-charged situation as they departed for short visits at Baltimore (June 8–9), Philadelphia (June 9–16), and New York (June 16–30).



Yokohama Municipal University

The Pagoda Car containing the Japanese treaty box, as it appeared in the procession on the day of the reception in New York, June 16, 1860.

In Baltimore the visitors were greeted enthusiastically with military escort, three bands, eight fire departments, and cheering crowds along the route to the Gilmer House. They were welcomed by Mayor Thomas Swann and John W. Garrett, president of the Baltimore and Ohio Railroad. There was a fire-engine display in front of the hotel and fireworks at Monument Square. The Japanese artists sketched almost everything in sight; and "Tommy," permitted to hold the fire hose, "ducked without mercy" many of the spectators. Sewing machine manufacturers announced a special sale "to celebrate this great event and fix the date in the memory of thousands of our citizens." [32]

The railway cars that took the group to Philadelphia were "fitted out in magnificent style" with sofas, cushioned chairs, rocking chairs, carpets, mirrors, and portraits of American leaders; and draped with flowers and the flags of the two nations. Large crowds appeared at the stations along the route. The embassy group seemed tired except for "Tommy," who was exhibiting a daguerreotype of a Washington lady. He rode the engine much of the way and took particular delight in ringing the bell. Before the train arrived, Broad Street, "as far as eye could see, was one mass of people." After a speech of welcome by Mayor Alexander Henry, the procession moved slowly through "500,000 people" toward the Continental Hotel, with an escort of some 4,000 soldiers and 2,000 police. Many in the escort wore ribbons with inscriptions "Welcome to Our Japanese Friends." Japanese flags waved on all sides. Six hundred servicemen guarded the entrance of the hotel.[33]

The Japanese were impressed by visits to the U.S. Mint, Independence Hall, Girard College, the city waterworks, and the Baldwin Locomotive Company. Some witnessed for the first time a balloon ascension and watched the operation of the new telegraph system connecting Philadelphia and New York. Widespread shopping expeditions and numerous gifts from local manufactur-

rs added to the value of the embassy's baggage y an estimated $100,000. The Japanese seemed o be everywhere, and wherever they went they ere well received. A 3-mile procession of firemen and musicians, some in Japanese costumes nd wigs, added to the festivities of the last days nd constituted an appropriate farewell as the isitors left for New York on June 16.[34]

At every New Jersey station en route, great rowds turned out—"the females, as usual, foremost." "Tommy," attired in pants of a "loud attern," received his usual attention: "delicate creams of women." His popularity had already aused him to substitute printed cards for the much-sought-after autographs.[35]

New York, however, outdid all the other host ities in its reception and entertainment—a canon salute at the Battery, a grand parade by circuitous route to the Metropolitan Hotel on Broadway, and a military escort of some 7,000. Secondtory windows along the route reportedly rented or $7. It took the procession more than an hour o pass a given point. The reception at the City Hall included speeches by Governor Edwin D. Morgan and Mayor Fernando Wood.[36]

Among the spectators at the parade was Walt Whitman, who was inspired by the exciting spectacle to compose a long poem, "A Broadway Pageant," in which he sang of

> . . . the Princes of Asia, swart-cheek'd princes,
> First-comers, guests, two-sworded princes,
> Lesson-giving princes, leaning back in their open barouches, bareheaded, impassive. . . .

And, like a proud New Yorker, the poet wrote:

> Superb-faced Manhattan!
> Comrade American!—to us, then at last, the Orient comes.
> To us, my city,
> Where our tall-topt marble and iron beauties range on opposite sides—to walk in the space between,
> To-day our Antipodes comes.

The grand ball at the Metropolitan Hotel on he night of June 25 was probably "the finest public entertainment ever given in this country," as evidenced by a two-page illustration in *Harper's Weekly*. It would seem that all important persons were on hand. Dinner was arranged for 0,000. Five bands were provided for the allnight dancers, estimated from 2,000 to 6,000, and total crowd of some 20,000. The New York *Times* characterized the evening as a "triumph of taste and brilliance" that will "long shine like a rose-pink lantern, or an apothecary's window in the civic annals of New York."[37]

Theater owners vied with each other to get the distinguished visitors to their shows as a means of attracting greater crowds. Some of the current plays featured performers in Japanese costumes. Visits to the various points of interest were arranged within a most elaborate and expensive social schedule.

Before boarding the U.S.S. *Niagara* for the return voyage to Japan, the visitors called at the New York home of the widow of Commodore Perry. This was a fitting conclusion to the sojourn of the first Japanese diplomatic mission to the United States. One envoy expressed it in the following manner:[38]

> What a change in a few years! Today, six years after that great national crisis [Perry Expedition], we are here in the midst of the friendly American nation, welcome guests in the home of the very Commodore Perry whose great fleet might have stirred our peaceful land into battle! The time has come when no nation may remain isolated and refuse to take part in the affairs of the rest of the world.

The U.S.S. *Niagara*—repaired, remodeled, and redecorated—awaited the embassy. Some 100 boxes of gifts (official and private), samples of products, and purchases were moved aboard. These included examples of the latest weapons of warfare, books and maps of all kinds, field and garden seeds, and the varied products of American industry such as glassware, watches, coins, printing presses and type, hydraulic rams, sewing machines, false teeth, wooden legs, playing cards, and all sorts of ornaments.

The *Niagara*, under Captain William W. McKean, put to sea on June 30 with orders to make only necessary stops on the return voyage via the Cape of Good Hope. On November 9 the embassy disembarked at Yedo, where the Temple had been made ready for the reception of the ship's officers.[39] After an appropriate ceremony the chief officers of the embassy visited Townsend Harris to express their thanks.[40]

This first diplomatic mission from the "Hermit Kingdom" to the West brought interesting and sometimes bewildering experiences to the envoys and their attendants. They were overcome by the informality and genuine friendliness of Americans. One naval officer characterized their reception at San Francisco as follows:[41]

Nothing struck me with so much surprise as the genial disposition of the people. Knowing as I did how our government treated foreigners, I expected a reciprocal treatment from the Americans; but what was my surprise when I found them so genial and kind, shaking hands friendlily wherever I went and the children bringing me bouquets. As oft as I thought of the contrast of our treatment of Americans and theirs of us, I blushed and felt ashamed.

Another Japanese wrote regarding the reception in New York: "Here again, they were received with all that kindness of heart and freak of fancy could devise to honor and salute them." [42]

Possibly the Americans overdid it a bit. Three years later, when another embassy was under consideration, a Japanese official "begged most earnestly that no such expensive reception should be given to it." [43]

In any case, the Americans found their visitors to be a highly intelligent and interesting group, eagerly seeking knowledge and experiences strange to their traditional way of life, and attempting to interpret what they saw and heard in the light of their own culture and politics. They liked them. In a real sense the embassy completed what Perry had begun.

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[1] John Bassett Moore, *A Digest of International Law* (Washington, 1906), V, 742.

[2] The Gregorian calendar is followed in this article. Japan did not adopt it until 1873.

[3] Hunter Miller, *Treaties and Other International Acts of the United States of America* (Washington, 1942), VII, 1077; Dept. of State, Despatches, Japan, II, No. 52, Nov. 15, 1859. In accounts of the mission the number varies from 71 to 93. The executive officer of the *Powhatan* indicated that there were 71 aboard (Lt. James D. Johnston, *China and Japan: Being a Narrative of the Cruise of the U.S. Steam-Ship Frigate Powhatan . . .*, (Philadelphia, 1860), p. 325). Contemporary newspapers usually placed the figure at 72, one of whom was taken ill at San Francisco and returned home aboard a Japanese vessel. The flag officer of the Home Fleet reported from both Aspinwall (Colón), Panama, and Sandy Hook that there were 72 aboard the U.S.S. *Roanoke* (Naval Records, Home Squadron, 1859–1860, Flag Officer W. J. McCluny, letters of Apr. 26 and May 9, 1860); yet the U.S. Government struck off 73 medals for distribution among the embassy (Miller, *Treaties*, VII, 1077, 1081). Two diarists with the mission place the figure at 77, then one proceeds to list 78 (Muragaki Awaji-no-Kami, "Diary of the First Japanese Embassy to the United States," *The First Japanese Embassy to the United States of America* (Tokyo, 1920), preface; Yanagawa Masakiyo, *The First Japanese Mission to America . . .* (Kobe, Japan, 1937), pp. 82–84).

[4] For Japanese reactions to the experiences of th embassy, this article depends largely on the diaries kep by Muragaki Awaji-no-Kami and Yanagawa Masakiyo

[5] For accounts of the voyage of the *Kanrin Maru*, se *The Autobiography of Fukuzawa Yukichi* (Tokyo, 1948) and Report of Captain Brooke, Mar. 20, 1860, Naval Rec ords, Officers Letters, No. 193. The accounts differ some what on the degree of dependence of the Japanese crew upon the more experienced American sailors.

[6] San Francisco *Daily Evening Bulletin*, Mar. 23, 1860 p. 3.

[7] Congressional Joint Res., Apr. 19, 1860; Inazo Nitobe *The Intercourse between the United States and Japan . .* (Baltimore, 1891), p. 161; *Harper's Weekly Magazine* Aug. 4, 1860. Later the embassy proposed to distribut $20,000 to persons aiding in their protection and enter tainment, particularly the police of Washington, Balti more, Philadelphia, and New York, but were discourage by the President and the Department of State (Actin Secretary Trescot to Captain DuPont, June 26, 1860, Dep of State, Domestic Letters, LII, 387).

[8] See Secretary Cass to Captain DuPont, Apr. 26, 28, 30 June 26, 1860, and Acting Secretary Trescot to Secretar of the Navy Toucey, July 9, 1860, Dept. of State, Domesti Letters, LII, 180, 181, 190–91, 193, 387, 427.

[9] The arrival and visit of the embassy were extensivel covered in the Washington papers: *The Constitution, Th National Intelligencer*, and *The Star*.

[10] *The Constitution* and *The National Intelligencer* May 15, 16, 1860. The three Princes of the embass were so impressed by the many kindnesses received at th hands of Commandant Buchanan that they sent a lette characterizing him as "one of the oldest and best friend of Japan and the Japanese" (*The National Intelligencer* May 31, 1960).

[11] New York *Herald* and *Frank Leslie's Illustrated News paper*, May 26, 1860.

[12] *The Constitution*, May 15, 1860.

[13] Quoted in *The First Japanese Embassy . . .* (Tokyo 1920), p. 189.

[14] *The National Intelligencer, The Constitution*, and *Th Herald*, May 18, 1860.

[15] *The National Intelligencer*, May 23, 1860.

[16] Muragaki Awaji-no-Kami, *op. cit.*, p. 47.

[17] *The National Intelligencer*, May 19, 1860.

[18] Muragaki Awaji-no-Kami, *op. cit.*, pp. 55–56.

[19] *Ibid.*, pp. 49–51. At a later meeting at the Depart ment of State, Secretary Cass reportedly remarked to th Japanese that he "did not know how they regulated thei ladies, but in this country the ladies regulated the gentle men. . . ." (*Frank Leslie's Illustrated Newspaper*, Jun 2, 1860).

[20] *Harper's Weekly*, May 26, 1860.

[21] Some of the visitors later had cards printed fo distribution.

[22] Yanagawa Masakiyo, *op. cit.*, pp. 50–52.

[23] A color likeness of Tommy may be found in Lt. Jame D. Johnston, *op. cit.*, p. 378; a Brady photograph i *Harper's Weekly*, June 23, 1860.

[24] *Harper's Weekly*, June 2, 23, 1860.

[25] Yanagawa Masakiyo, *op. cit., passim.*

[26] *Ibid.*, p. 42.

[27] Miller, *Treaties*, VII, 1080–81. Similar silver medals ere later sent to Naval Officers DuPont, Lee, and Porter long with a commendation for performing their "arduous nd responsible duties . . . with consummate tact and secretion . . . [leaving nothing undone that] could atify the curiosity or contribute to the comfort of the mbassy" (Naval Records, Acting Secretary of State to ecretary of War, July 7, 1860, Officers Letters, No. 3).

[28] *The National Intelligencer*, May 19, 1860.

[29] Acting Secretary Trescot to Harris, June 24, 1860, ept. of State, Insts., Japan, I, 83–84.

[30] *The National Intelligencer*, May 30, 1860.

[31] Yanagawa Masakiyo, *op. cit.*, p. 62.

[32] *The Sun* and *Baltimore Clipper*, June 8–10, 1860. The eft of two Japanese swords somewhat marred the cele- ation at Baltimore. One was recovered and returned 1863.

[33] *Public Ledger*, June 9, 11, 1860; Yanagawa Masakiyo, *. cit.*, pp. 64–65.

[34] *Public Ledger*, June 11–18, 1860; Yanagawa Masakiyo, *. cit.*, pp. 64–71.

[35] New York *Times*, June 18, 25, 1860.

[36] *Ibid.*, June 16–30, 1860.

[37] *Ibid.*, June 26, 1860; *Harper's Weekly*, June 30, 1860.

[38] Muragaki Awaji-no-Kami, *op. cit.*, pp. 71–73.

[39] Naval Records, Captain McKean to Secretary of Navy ucey, Dec. 12, 1860, Captains Letters, Vol. 14.

[40] Miller, *Treaties*, VII, 1077–81; Harris to Secretary ass, Nov. 19, 1860, Dept. of State, Despatches, Japan, I, No. 42.

[41] Chief of Admiralty Kimura, as quoted in Nitobe, *op. .*, p. 160.

[42] *Ibid.*, pp. 161–62.

[43] Pruyn to Seward, Dec. 1, 1863, *Diplomatic Correspond- ce . . . , 1864*, III, 463–64.

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Inter-American Cooperation Moves Forward

Address by Secretary Herter [1]

I am grateful for this opportunity to meet here with the Council of the Organization of American States today as it gathers in celebration of Pan American Day in the 70th year since the founding of the inter-American system. Not only is this my first appearance before a protocolary session of the Council, but it happens by circumstance to be almost the first anniversary of my appointment as Secretary of State. The year has indeed been a momentous one in the history of the Organization, full of events of tremendous significance to the continued growth and development in the unique cooperative relationship which this Organization represents.

Speaking personally, I value highly the good fortune that has made it possible for me to journey twice to Latin America, once last August to attend the Meeting of Consultation of Ministers of Foreign Affairs in Santiago [2] and again in February when I accompanied the President on his trip to Argentina, Brazil, Chile, and Uruguay.[3] The pleasure and stimulation gained from this experience of travel could only have been increased had my good fortune been extended by visiting all 20 of your countries.

Two such trips only half a year apart bring me to the inescapable conclusion that Latin America, still emergent and even nascent in some aspects within its present high level of attainment, is an area of tremendous development potential. It has most of the natural resources and all of the human resources for a steady and predictable rise in prominence and importance among the world family of nations. The surge and pulse of th rise is a visible and tangible circumstance, to seen and measured in the construction of ne cities, the laying out of networks of roads, t building of schools, the spread of new industri One can sense the trend of movement from rur areas and agriculture to urban living and indu trial development, from limited suffrage to u versal suffrage, from narrow exercise of authori to fully representative government. Here a many of the world's last great frontiers—the ju gles of the Amazon basin, the isolated mounta valleys of the Andes, the almost inaccessible m eral deposits, the extensive farmlands of hi potential in almost every country—all awaiti the conquest of advancement through new metho of health and sanitation or the construction of n means of communication. Here, too, one can se the race between a bursting population grow and the upsurge of economic development th must provide more and more products and devel more and more jobs for larger numbers of peop.

It seems to me that such convictions as we the United States had on this score were re forced by the President's recent visit to La America and that a new sense of urgency was co municated to us with respect to such participati as the United States, within the framework f worldwide commitments, can contribute.

The Inter-American System

Looking back across the intervening 70 ye since the founding session of the Commercial I reau of the American Republics, conceived pr cipally as a clearinghouse for the interchange f commercial information, who among our pr ecessors then in attendance could possibly h foreseen that the humble seed they planted was o

[1] Made before the Council of the Organization of American States at Washington, D.C., on Apr. 20 (press release 200 dated Apr. 19).

[2] BULLETIN of Aug. 31, 1959, p. 299, and Sept. 7, 1959, p. 342.

[3] *Ibid.*, Mar. 28, 1960, p. 471.

row into the all-encompassing structure that the)rganization of American States is today? The oil that nurtures this rich growth is mutual ooperation.

Represented here today are 21 Republics, each overeign and separate, each with its distinctive lentity and national aspiration. For each the harter of the OAS confirms sovereign equality egardless of size or power. Each uses its equal oice in determining issues by the exercise of its ote in the democratic process of decision by the ıajority. Yet with all the express individuality nd distinct character of its respective members, ith all the diverse interests and separate aims of ıe various countries, with all the divergencies beween widely differing peoples, this international ssembly works with remarkable harmony toward s objective; and that objective, simply stated, is) provide a steadily improving way of life for the 60 million people it represents.

These 360 million individual human beings, herever they may be in whatever country, proide the measure by which their chosen repreentatives must guide their actions. The inividual citizen is today the common denominator f all representative government and of all foreign olicy wherever there is freedom of choice. The ommon man" is the initial charge that sets in ıotion the dynamo of democracy that impels the orces of change toward a better way of life.

At the present stage in the evolution of interational affairs within this hemisphere, attainent of the normal aspirations of the individual tizen may require drastic revisions in existing ocial, economic, and political institutions. These spirations toward a general improvement in livıg conditions, toward the elimination as rapidly s possible of the consequences of poverty and norance, must be recognized by the OAS itself ıd by the individual countries that are repreented here. They should be achieved in liberty ıd with a dedication to international peace and ırmonious cooperation as reflected in the guiding rinciples of the Organization of American tates, which are prime requisites to the accomishment of its objectives.

Throughout the many years of its history the nius of the inter-American system has been its ıpacity to reconcile principles and forces that ıve at times appeared to be in conflict. If sovreign states had refused to yield when purely ıtional interests appeared to conflict with the general international interests of the whole assembly of nations, if each had chosen to adopt only principles that were in perfect accord with its individual goals, the Organization of American States could not have moved forward to the high level of attainment that it has reached today. Many of these conflicts have proven to be more apparent than real, especially in the light of shared benefits that have accrued to every nation through mutual international accord.

Implementing Fundamental Principles

In similar respect a partial success in improving the living standards of the individual citizen is not enough. The achievement of material progress, for example, falls short of the need unless it is accompanied by the equally important attainment of liberty based upon respect for human rights and representative democracy as described in the Declaration of Santiago agreed upon at the Fifth Meeting of Consultation of Ministers of Foreign Affairs last August.[4] This statement declares that the "principles and attributes of the democratic system in this hemisphere" must include such essentials as the rule of law assured by separation of powers, free elections to choose governments, judicial procedures to protect individual freedom and human rights, freedom of information and expression, and effective control of the legality of governmental acts. It further points out that political proscription, perpetuation in power, and the exercise of power without a fixed term are manifestly contrary to democratic order in the Americas.

However lofty and hopeful might be the fundamental principles of an international organization, their application within the borders of the member nations is often not easy. All of us will do well to bear in mind that those who judge will also be judged. It seems to me that the Organization as a whole must be willing to concede that each member may have its own special problems and its individual circumstances that may make progress appear very slow in the translation of broad principles into specific actions within each country.

Yet it would be a matter of no small concern to the Organization as a whole if its member nations agree to the broad principles but seek

[4] For text, see *ibid.*, Sept. 7, 1959, p. 342.

to travel only their separate paths in application. My view is that for member nations to maintain their own self-respect in the community of this hemisphere there needs to be a genuine endeavor to implement within their respective borders the fundamental principles to which their international representatives have signed agreement. We can all hope that recognition of this essential fact will bring with it the maturity and calm judgment required for the official conduct of governments in our present-day relationships.

To reach the root of many problems facing our hemisphere requires a methodical study of the existing and potential resources to meet present and future needs. Many of these studies have been underway through the various entities of the Organization of American States. The far-sighted initiative of Operation Pan America,[5] calling for detailed economic surveys of the countries of the Americas, is an important concept that will bear fruitful results within the near future in planning and organizing new projects on the basis of specific needs.

Accomplishments of the OAS

That the Organization of American States has been an instrument of accomplishment is manifest in many ways. Defense against aggression, from within or without the hemisphere, is now the concern of the whole American community rather than any single nation; and sums formerly spent for defense against neighbors can increasingly be safely devoted to economic development. The twin pillars of nonintervention and collective action are now firmly cemented into the foundations of our tested and proved system of inter-American security. Astonishing progress has been achieved toward the goal of eradicating malaria and other diseases from our hemisphere. A regional development bank has become a reality. A major breakthrough has been registered in the discovery of a highly nutritious food, called *incaparina*, to combat the high mortality of young children. Important groundwork has been laid in establishing a common market and a free-trade association. The benefits of agricultural research already are evident in many ways, such as the development of new cattle breeds more adaptable to Latin American conditions. Even the launc ing of promising young artists on careers worldwide acclaim, plus a long list of oth achievements in the general field of culture a education, are commendable efforts that like could not happen except for the existence of so form of international organization.

In my view the achievements and the wo actually underway in the areas of cooperation a often less noticed than they should be, given t apparently irresistible attraction of controver and conflict. Steady, constructive, careful planned progress in any of the many fields human interest and endeavor in which we coop ate, both in the OAS and between ourselves, m not be as dramatic as if it were actively pu tuated with sweeping slogans; but in the long r it may actually move farther. For example, t OAS has long recognized the need for extensi efforts in the field of housing. The many acti ties of the Inter-American Housing and Planni Center in Bogotá, Colombia, are demonstrati results in the development of new building m terials and inexpensive construction methods t will be of enormous importance in the solution t one of the most fundamental problems of c people. I am well aware of the close cooperati between the Center and certain of the projects this significant field that has been aided by r Government. Among others these include t low-cost housing project in Chile which Preside Eisenhower visited recently and which he a others of us who accompanied him found to among the interesting points of the tour. Th and similar endeavors are carried forward unc the concept of "self-help and mutual aid" tl might well be taken as key words in our inter tional relationships.

If we support the premise that the dignity f the individual in a free society is strengthen when he acquires his own home, so must we a recognize the importance of land ownership to t man who works the land. While there is mu arable land not in economic use—properties own both publicly or privately that are difficult of cess or not put to full use—small farmers by t hundreds of thousands must make their livi from tiny plots that yearly become more deple from too intensive development. Land distrib tion is a problem of the hemisphere, demandi the attention of all nations and the Organizat n

[5] For background, see *ibid.*, June 30, 1958, p. 1090, and Oct. 13, 1958, p. 574.

American States as a whole. The establishment adequate credit facilities to assist small farmers purchasing land, the establishment of adequate cilities to confer title to new owners, and the loption of appropriate fiscal policies to promote ore effective use and facilitate transfer of poorly ilized land are measures demanding urgent tention.

ithstanding Foreign Ideologies

It will serve us well to remember that the mind the individual citizen is the object of a great eological conflict that divides our world. One le thrives on the ills of mankind—poverty, hun-r, disease, ignorance, upheaval—while the other rives for man's natural desires—for individ-l freedom, human dignity, and personal well-ing. Any international organization that hopes r and works for solid accomplishment will need recognize that its framework must be solid and rable to withstand the constant probing of new d subtle forms for exploiting whatever forms weakness may exist.

Under a system of free elections and representa-ve government, the day will likely never dawn in is hemisphere when the majority voter of any untry will freely choose his own complete sub-gation to the state. It is contrary to all reason-le supposition to conceive that the voter of the mericas, in any considerable number, would ever illingly enslave himself to a monolithic economy, rrender his individual freedom, renounce what-er religion he may hold, or relegate himself to e status of landless servitor to a new class of reaucratic aristocracy. Since the imposition of ch a system through force, threat, or subversion ould be a denial of basic principles for which the AS stands and therefore could not be allowed to ist, and since its appeal to the voter is tradition-ly small in all areas of the world, the continued rogress toward ever more valid democracy in ch of our native lands is the real promise of life our hemisphere.

If an ideology that is foreign to our hemisphere s little chance of taking root here, the state of rmony within the hemisphere will bear some tention. Each country should assume a certain sponsibility toward the fundamental principles of the inter-American system. To quote from the Santiago declaration:

> Harmony among the American republics can be effective only insofar as human rights and fundamental freedoms and the exercise of representative democracy are a reality within each one of them, since experience has demonstrated that the lack of respect for such principles is a source of widespread disturbance and gives rise to emigrations that cause frequent and grave political tensions between the state that they leave and the states that receive them; . . . .

The truth in these statements is self-evident. After all, most of the basic principles of the Organization of American States are as hallowed in time as that ancient day when separate civilizations first realized they had to try to exist in harmony together. In many ways the Declaration of Santiago is an echo of the words so wisely stated many years ago by that great freedom fighter José Martí:

> America must encourage every means of bringing the American peoples closer to one another, and reject everything that keeps them apart. In this, as in all human problems, the future is of peace.

By the fact of the frozen wastelands that lie above and below and the great oceans that swirl on either side of our continents, we are all neighbors. Give us, each one of the 21 Republics, each independent and yet interdependent, the maturity and foresight and thoughtfulness to be good neighbors. There is not one among our countries that cannot help the others; there is not one that cannot receive help from the others; there is not one that will not profit through the mutual well-being of all.

Dr. McHugh Named to Tropical Tuna Commission

The White House announced on April 22 that the President had on that day appointed J. Laurence McHugh, chief, Division of Biological Research, Bureau of Commercial Fisheries, Fish and Wildlife Service, Department of the Interior, to be a U.S. Commissioner on the Inter-American Tropical Tuna Commission, vice Arnie J. Soumela, resigned.

The International Lead and Zinc Study Group

by C. W. Nichols [1]

The Lead and Zinc Study Group is very young. Its first regular session was held at Geneva only 2 months ago, and some of its activities have hardly begun. Yet this new organization already has influence in the lead and zinc industries throughout the world. The Group is not only recognized; it is even given credit for some substantial changes which have come about during the past year in the tenor and outlook of international trade in lead and zinc. Because of the relationships between domestic and international markets, the Study Group can be important not only to importers and exporters but to all producers, consumers, and merchants of these materials.

Strictly speaking, the curtailments of international supplies which were in effect during 1959 should not be attributed to the Study Group. Those curtailments, and the Study Group itself, were the separate, joint products of the preceding exploratory conferences and an interim committee. The Study Group, however, has become the continuing machinery. It is naturally now thought of as an extension of the international discussions which began before it was organized.

The Study Group is an autonomous intergovernmental body. The members are national governments. Membership is open to any government which is a member of the United Nations, or of its specialized agencies, or is a contracting party to the General Agreement on Tariffs and Trade if the government considers itself substantiall interested in the production, consumption, or trad of lead or zinc.

Twenty-five governments have accepted mem bership.[2] All continents are represented. Th member countries account for more than 90 per cent of estimated world production, consumptio and trade of lead and zinc, ore and metal.

The members participate in sessions of th Study Group through national delegations whic include officials of government and representative of industry. Industry representatives have a ready contributed a great deal to the work. It hoped and believed that their participation can b further increased.

The Study Group has its own rules of pro cedure. Its terms of reference permit consider able flexibility in operations. There is no fixe schedule of meetings. These are held at times an places decided by the members according to ci cumstances. The normal procedure is for the dis cussions in the Study Group to be held in privat

[1] Address made before a joint session of the Lead Industries Association, the American Zinc Institute, and the Galvanizers Committee at St. Louis, Mo., on Apr. 7. Mr. Nichols, who is Special Assistant to the Assistant Secretary for Economic Affairs, was chairman of the U.S. delegation to the first meeting of the International Lead and Zinc Study Group, held at Geneva Jan. 27–Feb. 3, 1960.

[2] Members of the International Lead and Zinc Stud Group are:

Australia	Netherlands
Belgian Congo	Norway
Belgium	Peru
Canada	Poland
Czechoslovakia	Spain
Finland	Sweden
France	Union of South Africa
Guatemala	Union of Soviet Socialist Republics
Federal Republic of Germany	United Kingdom of Great Britain and Northern Ireland
India	United States of America
Italy	Yugoslavia
Japan	
Mexico	
Morocco	

nd for the decisions of the Group to be taken ac-ording to the sense of the meeting, without oting.

The Group is authorized to make studies, ar-ange for the gathering of statistics, consider pos-ible solutions to special difficulties, and submit to ember governments reports which may include uggestions or recommendations.

The Group has no regulatory authority. Mem-ership involves no obligation upon a government s regards the production, consumption, or trade f its country. The Group is to remain in exist-nce as long as the participating governments hink it useful. A member government is free o withdraw at any time.

elationship of Group to United Nations

For the present, a small office and staff in New ork are being provided to the Group by the nited Nations on a reimbursable basis. The udget for 1960 is very modest. Part of the ex-enses are being shared equally by the member overnments, the remainder being allocated among embers in proportion to their volume of interna-ional trade, taking account of exports and mports.

The size and functions of the headquarters staff re presently at a minimum. These could be ex-anded if the members desired in time to establish tatistical or publications programs, as other study roups have done. The present disposition of the ead and Zinc Group is to rely upon existing ources of statistics as far as possible but to exert n influence toward improvement and extension f existing statistical work.

The close association of administrative opera-ions with the United Nations at this time was con-idered necessary to enable the Study Group to egin to function more easily and speedily. This pportunity to obtain staff services from the U.N. akes a variety of professional skills in the larger rganization available as required. The assistance f the U.N. is also reducing the expense of opera-ion. These initial organizational arrangements re provisional; they will be reviewed and may be evised if the members so decide.

As long as the operations of the Study Group re related so closely to the United Nations, the eetings of the Group will probably be at New ork or Geneva, since those are the locations here the U.N. maintains conference facilities. The Study Group could meet elsewhere, especially if a member government should extend an invita-tion to host a particular session. This has been a common practice of other commodity study groups. The next full session of the Lead and Zinc Study Group is expected to be in early Sep-tember of this year, probably in Geneva, but a definite decision has not yet been taken concerning either the date or the place.

Functions of the Standing Committee

The Study Group has established a Standing Committee to deal with matters requiring atten-tion between full sessions. The Standing Commit-tee manages the budget, directs the secretariat, keeps the lead and zinc situation under review, and makes plans for future meetings of the full Group. The Standing Committee includes all members of the Group who wish to participate in its work. This committee elects its own officers. The officers of the Standing Committee are ex-pected normally to be the same individuals, or in part the same individuals, who are at the time holding offices in the Study Group to which they have been elected at full meetings. The Study Group currently elects its own officers for a term of 1 year, which may be extended until successors have taken office.

The Group has appointed a small panel of per-sons who are specially qualified in the field of statistics to consider the data now available con-cerning lead and zinc on a world basis and the improvements which might be made in this data. This panel will report to the Standing Committee before the next Study Group meeting.

The Study Group is primarily a forum through which the members can seek and obtain more in-formation and a better understanding of the outlook and the attitudes of others. It provides opportunities to correct misunderstandings and misconceptions and should help in avoiding them. The full meetings of the Group are its principal activity and its chief opportunity to accomplish its purpose. The staff, the Standing Committee, and the other activities have a supporting rela-tionship. While the full meetings are the high spots of the program, there is a great deal of pre-paratory work in advance of each of these meet-ings, and each meeting can generate followup activity extending through all or much of the interval until another session.

Delegations

Each delegation to a Study Group meeting represents its government in an official capacity. The delegation must act as a unit in expressing official views.

Necessary guidance for the U.S. delegation is developed by our Government in advance of each Study Group meeting, after appropriate consultations among the responsible officials and with the industries concerned. Considerable effort has been made, both by government and industry, to insure that our delegation is adequately organized and equipped to represent this country effectively.

The U.S. delegations have included officials from several departments principally concerned and industry members appointed officially following their nomination by representative segments of industry. The industry members of the delegation serve without expense to the Government. The delegation needs to be representative of the interests concerned and needs to include a variety of specialized qualifications, but it also needs to be reasonably compact in size. It is sometimes a problem to hold the membership of the delegation within effective working limits. The delegation is appointed for a particular meeting and completes its work when its report on that meeting is submitted.

Commodity Problems

The newly organized Study Group comes on a stage which already has a giant backdrop of world concern with the problems and interests involved in international trade of primary commodities. Nationalism is a strong force in the commodity field, but there is also an increasing recognition, especially since the Second World War, of the interdependence among nations in a world situation.

As governments have taken greater responsibilities for economic affairs, commodity policies have created for these governments a set of new and more active relationships with private companies and with other governments.

The waste and distress that can be caused by extreme economic cycles and excessive fluctuations in the prices of major commodities have become an ever more pressing concern as stronger emphasis is placed on the maintenance of high levels of productive employment and a steady economic development at home and abroad. Great efforts are made to encourage a flow of private and publi capital into less industrialized countries, but thi international investment and its broad objective can be seriously undermined in many of thos countries if their earnings on the commodities the export do not show long-term growth with reasor able stability along the way.

Direct and detailed controls for purposes c stabilization have been undertaken in some com modities. The record of peacetime regulation ha not been too impressive, either on a national c an international scale. But the world is in n mood to embrace fatalism. People are not in clined, either in the United States or in othe countries, to regard the hardships of extreme pric fluctuations as an affliction which is unavoidabl

Severe instability in external markets can in crease greatly the problems which national gov ernments face in pursuing liberal policies towar international trade.

These problems of primary commodities hav engaged and continue to engage the serious atter tion of many international bodies. No panacea have been discovered, but most governments plac a high priority on a continuing search for way to moderate instability and reduce the causes c international friction. The General Assembly c the United Nations has repeatedly discussed th objectives toward which international cooperatio should be directed in the field of commodity prob lems. So have the Economic and Social Counci the Food and Agriculture Organization, and th Organization of American States. The Commis sion on International Commodity Trade was estal lished for this purpose. Commodity problem have been emphasized in the sessions of the Con tracting Parties to the General Agreement o Tariffs and Trade. None of these general orga izations, however, has been able to devote con tinuing attention in depth to any particular com modity situation.

Specialized Commodity Study Groups

Specialized study groups for some commoditie have existed for many years. One of the bes known is the International Cotton Advisory Com mittee, which had its origins before the Secon World War and has functioned on a broadly rep resentative and active basis since 1945. This Com mittee has made itself the hub of extensive an authoritative information on cotton and has pro

Terms of Reference of the International Lead and Zinc Study Group[1]

Membership

1. Membership of the International Lead and Zinc Study Group shall be open to the Governments of States Members of the United Nations or of appropriate specialized agencies or to Contracting Parties to the General Agreement on Tariffs and Trade, which consider themselves substantially interested in the production or consumption of or trade in lead and zinc.

Functions

2. The group shall provide opportunities for appropriate intergovernmental consultations on international trade in lead and/or zinc and shall make such studies of the world situation in lead and zinc, as it sees fit, having regard especially to the desirability of providing continuous accurate information regarding the supply and demand position and of its probable development. For this purpose the group shall arrange for the collection and dissemination of statistics, making use of existing sources so far as practicable.

3. The group shall, as appropriate, consider possible solutions to any special problems or difficulties which exist or may be expected to arise in lead or zinc and are unlikely to be resolved in the ordinary development of world trade.

4. The group may report to Member Governments. Such reports may include suggestions and/or recommendations.

5. For the purpose of these terms of reference, lead and zinc shall include scraps, wastes and/or residues and such lead and zinc products as the group may determine.

Operation of Study Group

6. The group shall meet at times and places mutually convenient to its members.

7. The group shall adopt such rules of procedure as are considered necessary to carry out its functions.

8. The group shall make such secretariat arrangements as it may deem necessary for the proper conduct of its work.

9. The participating Governments shall contribute to the expenses of the group on a basis to be determined by it.

10. The group shall remain in existence as long as it continues, in the opinion of the participating Governments, to serve a useful purpose.

11. The group shall make such arrangements as it considers appropriate by which information may be exchanged with the interested non-participating Governments of the States referred to in paragraph 1 and with appropriate non-governmental and intergovernmental organizations. The group shall cooperate in particular with the Interim Co-ordinating Committee for International Commodity Arrangements which, under resolution 557 F (XVIII) of the Economic and Social Council, has the function of co-ordinating the activities of study groups and councils.

[1] U.N. doc. E/CONF. 31/1, Annex A.

duced many competent studies concerning the world cotton situation. The question of an international cotton agreement has received serious attention in this Committee on more than one occasion, but proposals for intergovernmental regulation have not advanced beyond the stage of discussion.

The International Wool Study Group, although in existence since 1947, has not been as active as the Cotton Advisory Committee.

The International Rubber Study Group, established in 1945, has been useful to its members in making their way together through a succession of striking developments, including reconstruction from wartime disruption, growth of a large synthetic industry, emerging political independence of areas which are the leading exporters of natural rubber, large-scale stockpiling, and, more recently, some liquidation from the stockpiles of natural rubber. The Rubber Study Group has assisted international trade in such matters as standardization of grades and improvements in type sampling. Its most valuable contribution, perhaps, has been the development and dissemination of authoritative statistics or estimates on the production, consumption, trade, and stocks of all types of rubber on a worldwide basis and authoritative forecasts of production and consumption year by year. Like the Cotton Advisory Committee, the Rubber Study Group has at times given serious consideration to the possibility of an international agreement which would control the trade

in rubber, but on each occasion the members have decided that no general advantage could be expected from proceeding with such a project.

Coffee, cocoa, rice, and other commodities have also had study groups, and the activities of each have been tailored to the problems of the particular commodity and the desire of the member governments to use this method of consultation.

A few commodities, notably wheat, sugar, and tin, are subject to specific intergovernmental agreements. Each of these agreements is administered by an international council which, of course, is not concerned directly with any other commodity. The functions of those councils are quite different from those of the commodity study groups.

Some commodities have received much more intergovernmental attention than others. The amount of international trade is not in itself the controlling factor. Each of the leading world commodities has some special characteristics which affect the interests of governments and the methods they think desirable for pursuing those interests. Some commodity study groups have been formed in response to an immediate, more or less fortuitous, situation. Study groups have only endured, however, and proven to have continuing usefulness in those commodities where a considerable number of importing and exporting countries found continuing reason to keep developments under joint review.

A happy situation in a world commodity presumably would be one in which there were not enough uncertainties or problems for governments to attach much importance to a study group. Where the commodity is sufficiently important, however, and the need for a study group is felt widely, these practical considerations are usually controlling rather than any theory about the desirability of study groups in principle.

Need for Study of Lead and Zinc Problems

Lead and zinc constitute in some respects a more complicated problem than other international commodities. Lead and zinc may be more in need of a study group because of the special circumstances under which these two materials are produced, marketed, and consumed. Other commodities are not affected to the same extent by characteristics such as large-scale recovery of secondary material, predominance of joint production at the mine, and a substantial volume of international trade in concentrates as well as in metal.

In 1957 and 1958, when the problems of instability in some nonferrous metals were giving increasing concern to a number of governments, there was no specialized international machinery available for multilateral consultation. Inquiries were made through United Nations channels, and the replies indicated that many governments would be interested in an exploratory meeting to consider the position and prospects of copper, lead, and zinc. The Secretary-General of the United Nations then issued invitations for this purpose, and the meeting was held at London in September 1958.

The discussions in that meeting led the participants to the conclusion that there was no need for special action on copper. Several problems were exposed in lead and zinc, however, both of a long-term and a short-term nature, which appeared to require further careful consideration. As a possible means of dealing with the short-term problems, the London meeting suggested that governments should consider a reduction of exports or production for 1 year, with machinery for a prompt review if conditions changed. Governments were also asked to consider the establishment of a lead and zinc study group which could provide a framework for continuing cooperation with respect to long-term problems. In addition, the exploratory meeting arranged for a review of the available statistics to determine whether these provided satisfactory data for intergovernmental discussions of lead and zinc.

After allowing some time for separate study by governments, a second meeting was called, concerned entirely with lead and zinc, and this took place at Geneva in November 1958. Meanwhile, the United States had established import quotas by action taken under the escape-clause procedure of the trade agreements program.[3] The world trade situation for lead and zinc was somewhat different from that which had existed at the time of the London meeting. Some delegations at Geneva thought that a further period of time would be required in order to appraise the outlook under the new circumstances. The discussions in November 1958 recognized that the lead and zinc

[3] For background, see BULLETIN of Oct. 13, 1958, pp. 579 and 583.

arkets were out of balance, but no action was aken at that time to curtail international supplies. Recommendations were made for the formation of a lead and zinc study group and for urther efforts to improve the world statistics hich governments could use in judging the position and considering proposals for adjustment.

The interested governments came together again n late April and early May of 1959 at New York nd took preliminary steps toward organizing the ead and Zinc Study Group. A substantial excess of supplies in both metals still appeared to be n prospect at the time of the New York meeting, if no allowance were made for certain reductions and limitations then under consideration. he meeting, however, received reports of specific urtailments to be made in a number of countries nd estimated that, after allowance for these, the orld excess of lead metal would be reduced to an nnual rate of 59,000 tons in the second half of 959 and the excess for zinc metal would be reuced to about 16,000 tons.

These undertakings of which the New York neeting took notice were separate and voluntary. hey entailed no formal commitments. It was learly the view of the meeting, however, that hese measures would improve the relationship beween supply and demand, pending further reiew at a subsequent meeting. The New York iscussions gave strong support to the announced mitations as a general method of approaching ne short-term problem.

tudy Group's Program for 1960

The first regular session of the Lead and Zinc tudy Group was held at Geneva, January 27 to ebruary 3, 1960, being preceded by a special statistical session. The consensus at this meeting was hat there is no need at present for continued imitations on international supplies of zinc. The neeting noted with approval the plans in a number of countries to curtail marketings of lead unil at least September 30, 1960, and considered hose plans to be helpful in the interest of a curent balance.

Twenty-four of the twenty-five members were epresented by delegations at the recent meeting.[4] he delegations included, in the aggregate, somehat more than 100 persons. Some member governments accredited only one or two persons, but others were represented by about half a dozen to a dozen. Approximately one-half of the individuals in attendance were officials of governments; the others were representatives of industries in their respective countries.

The normal procedure in meetings of the full Study Group and some of its committees, such as the Administrative Committee and the Economic Committee, in the recent session has been for each delegation to have a single spokesman, usually an official of the particular government. Participation in the discussion has been more general in other committees or subcommittees where more technical subjects were under consideration. This was especially true in various statistical groups. Representatives of industry have taken a direct and major part in those discussions. There are, of course, also many informal exchanges of views among participants on the occasion of Study Group meetings, and these become an important part of the total proceedings.

As the Study Group embarks on its full program in 1960, it will have the benefit of the experience which has been gained in the operation of other somewhat similar bodies. A commodity study group is no longer thought of as strictly temporary or as a prelude to a commodity agreement. Instead, the primary emphasis is on the question whether a continuing program of exchanging information and views can substantially increase the degree of stability in the lead and zinc industries on a world basis simply by promoting better and wider understanding, earlier and more accurate appreciation of trends, and a more responsible approach to problems of common international concern. If the member countries believe that this is possible and attach importance to a greater degree of stability in these industries than they have had, then the main problem of the Study Group is to devise the most effective methods of operation for these purposes.

Organizing the Meetings

This will involve a question of ways to organize and conduct the meetings to make them most productive. Multilateral discussions have superseded the former reliance upon bilateral procedures. Some new techniques have evolved to facilitate this development in the conduct of international commodity relations, but the usual

[4] Guatemala was not represented.

procedures still draw heavily upon the forms which were traditionally employed for debate or negotiations. Since the chief purposes of the Study Group are the development of information and exploration of views, there appears to be a need for some further evolution away from traditional procedures in order to draw into the deliberations a more active participation by a larger number of the people in attendance, and with less formality. The depth and range of substantive discussion might be increased considerably, to the benefit of all member countries, if the proceedings offered greater opportunity for active participation in the discussions by additional members of the delegations, especially industry representatives, it being understood, of course, that they would be expressing their individual views.

With these considerations in mind, it has been suggested that future sessions of the Study Group might include a special committee on production, consumption, and trade. This part of the Study Group session could be organized as an exploration of technical and economic questions, open to all members of the delegations. Specific topics could be on the agenda, and papers might be circulated in advance to focus the discussion. There need not be any attempt to reach conclusions, but a report of the discussion would be made to the full Study Group. It is recognized that an arrangement of this kind could present some dangers. There certainly would be problems which have not yet been fully explored. But the member governments have already recognized that reliance on customary procedures may not draw out the full contributions which persons in attendance are capable of making. The Group believes that some improvements can be devised which will be practical and will make the meetings more valuable in projecting future trends.

Need for Adequate Communication

Another problem will be that of drawing upon a sufficient cross section in industry and other competent sources for information and views which can help in preparing for Study Group meetings. Similarly, after each meeting it will be necessary to make sure that the course and outcome of Study Group discussions are known clearly and widely in the industries concerned so that the Study Group sessions will have a tangible influence on the actual conduct of industrial operations in the direction of the greater stability in which membe governments are interested.

The operations of producers and consumer might be influenced in important respects, and in generally constructive direction, by the work o the Study Group. For example, a more respon sible management of stocks might become mor justifiable and more likely. Some erratic varia tions in commercial stocks, even though conceive by individual companies as being defensive, have in the aggregate, made an aggressive addition t the destabilizing influences otherwise at work There is also a possibility that some importan consuming industries will attach such significanc to stability in their raw materials that if they be lieve the prospects for reasonable stability in lea and zinc are being improved, they will be mor willing to plan on the use of these materials. Thi could be a basic contribution to the expansion o consumption, which is the dominant considera tion in a satisfactory future development.

Since the personnel of each delegation and th total attendance at Study Group sessions must b somewhat limited, this problem of adequate com munication with many other people in membe countries, both before and after Study Group se sions, will need very careful attention, perhap most especially in the United States.

The Group may have to decide whether it wi consider the possibilities of an international agre ment involving buffer stocks, export restriction or other controls. The terms of reference woul permit this subject to be raised. The questio would be whether any considerable number c member governments thought that a full examin tion of such proposals would be useful. Som members have already indicated their view that will be appropriate for the Study Group to di cuss regulatory measures for purposes of st bilization. Other members have made clear th they believe the long-term interests of lead an zinc on a world basis will best be served by avoi ing additional controls.

The United States Government maintains i well-known position that there are few situatio in which intergovernmental commodity agre ments are appropriate or desirable. The U.S. vie emphasizes that the circumstances in which lea and zinc are produced, sold, and consumed mal it very doubtful that an intergovernmental agre ment to control either or both of these materia would be feasible of negotiation or operation.

There are, of course, some areas of interest to ad and zinc in which the Study Group cannot be pected to perform. For example, the Group nnot participate in the programs of research, oduct development, and commercial promotion hich the industries in several countries are puring. These, however, have been noted in the udy Group discussions. They are recognized as ving highly constructive possibilities. The roup appreciates the necessity to avoid actions hich might prejudice the success of these portant programs.

The Study Group cannot be expected to lend self to advancing the interests of some members the expense of others in those matters upon hich there are conflicts of interest. The focus f the Group will have to be in the area of common terest, that is, the expansion of consumption at substantial and rather regular rate with increasg requirements being supplied at reasonably able prices and with the recognition that a workble balance of supplies and requirements is imortant to longtime growth. This is the plane of utual interest where a basis can be found for fective cooperation among producers and conumers, exporters and importers.

The Study Group is not an instrument through hich fast action or quick results can be obtained. s eventual influence, however, could be deep and ide in the industries which supply or require ad or zinc.

Progress has been made in the ability and the esire of the national delegations to cooperate in atters of common interest. The members are istinguishing more clearly than they did a year r two ago the subjects and the types of activities hich can usefully be undertaken in this forum nd those which cannot.

What comes out of the Group must depend on hat the member countries put into it. The begining is auspicious. The indications are favorable. here is wide participation, and the Study Group as active support. It could become the center in net of worldwide information and communicaion. The Study Group is a good tool for imortant work: to raise the level of understanding n many places, reduce the causes of international liscord, and improve the prospects for growth in he lead and zinc industries without serious nterruption.

Documents on Test Ban Talks Made Available

Press release 198 dated April 19

The Department of State on April 19 made available for reference the verbatims [1] and agreed documents [2] of the Geneva Conference on the Discontinuance of Nuclear Weapons Tests for the period from October 31, 1958, to February 29, 1960. The release was made pursuant to an agreement reached last month by the three negotiating parties, the United States, the United Kingdom, and the U.S.S.R.

When the negotiations commenced on October 31, 1958, the three nations involved agreed to conduct the Conference sessions in private. However, in view of the long duration of the Conference, the three parties have decided to make available to the public transcripts of past sessions through February 29, 1960. Transcripts and documents for sessions after this date will be released on a monthly basis 1 month after the sessions take place. Accordingly, release of the March verbatims and agreed documents will be made on May 1, 1960, and the April verbatims and documents on June 1, 1960. This procedure will be followed for release of the verbatims of subsequent sessions.

Current U.N. Documents: A Selected Bibliography [3]

Security Council

Interim Report by the Secretary-General Under Security Council Resolution S/4300. Report regarding South Africa. S/4305. April 19, 1960. 1 p.

General Assembly

Economic Development of Under-developed Countries. Report by the Secretary-General on measures taken by the governments of member states to further the

[1] Not printed.

[2] Copies of the agreed documents (drafts of a preamble and various articles of a treaty on the discontinuance of nuclear weapon tests, together with a draft annex on a preparatory commission) are available upon request from the Office of Public Services, Department of State, Washington 25, D.C.

[3] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

economic development of underdeveloped countries in accordance with General Assembly resolution 1316 (XIII): additional replies from governments. A/4220/Add. 5. April 15, 1960. 25 pp.

Economic and Social Council

Teaching of the Purposes and Principles, the Structure and Activities of the United Nations and the Specialized Agencies in Schools and Other Educational Institutions of Member States. Addendum to the report by the U.N. Secretary-General and the UNESCO Director-General. E/3322/Add. 1, February 26, 1960, 7 pp.; Add. 2, March 25, 1960, 27 pp.; and Add. 3, April 1, 1960, 3 pp.

Commission on Human Rights/Commission on the Status of Women. Study of Discrimination in Education. E/CN.4/802/Add. 1. March 1, 1960. 20 pp.

Statistical Commission. Statistics of Profit-and-Loss and Balance-Sheet Accounts. E/CN.3/260. March 3, 1960. 24 pp.

Economic Commission for Europe. The Commission's Programme of Work for 1960/1961. E/ECE/384. March 3, 1960. 41 pp.

Statistical Commission. International Definition and Measurement of Levels of Living. Progress report by the Secretary-General. E/CN.3/270. March 9, 1960. 32 pp.

Consideration of the Provisional Agenda for the Thirtieth Session. Note by the Secretary-General. E/3331. March 11, 1960. 11 pp.

Economic Commission for Latin America. Progress Report by the Secretariat on the Common Market Programme. E/CN.12/AC.45/3. March 15, 1960. 47 pp.

Statistical Commission. Problems and Methods in the Gathering of Representative and Comparable Wholesale Price Series. E/CN.3/264. March 15, 1960. 50 pp.

Statistical Commission. Progress Report on the Comparison of the Industrial Statistics Systems in Selected Highly Industrialized Countries. E/CN.3/281. March 17, 1960. 30 pp.

Progress Report of the United Nations Commission on Permanent Sovereignty Over Natural Resources Covering the Work of its First Two Sessions. E/3354. March 18, 1960. 19 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

International Court of Justice

Statute of the International Court of Justice (59 Stat. 1055).
Declaration recognizing compulsory jurisdiction deposited (with conditions): Honduras, March 10, 1960. Effective for an indefinite period.

Safety at Sea

Convention on safety of life at sea. Signed at London June 10, 1948. Entered into force November 19, 1952. TIAS 2495.
Acceptances deposited: Australia, October 6, 1959; Korea, March 10, 1960.

Sugar

International sugar agreement of 1958. Done at London December 1, 1958. Entered into force January 1, 1959 for the United States October 9, 1959. TIAS 4389.
Ratifications deposited: Portugal, March 21, 1960; Federal Republic of Germany, March 28, 1960.

BILATERAL

Argentina

Agreement for the loan of two U.S. submarines to Argentina. Effected by exchange of notes at Washington March 4 and April 1, 1960. Entered into force April 1, 1960.

Agreement renewing the agreement of April 23 and 28, 1958, relating to the establishment of a U.S. Air Force mission to conduct high-level meteorological tests in Argentina (TIAS 4037). Effected by exchange of notes at Buenos Aires April 4 and 8, 1960. Entered into force April 8, 1960.

Colombia

Agreement for the loan of a destroyer to Colombia. Effected by exchange of notes at Bogotá April 5 and 7, 1960. Entered into force April 7, 1960.

Ireland

Agreement providing a grant to assist in the acquisition of certain nuclear research and training equipment and materials. Effected by exchange of notes at Dublin March 24, 1960.
Entered into force: April 7, 1960.

Korea

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New Zealand

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This publication is a guide to treaties and other international agreements in force between the United States and other countries at the beginning of the current year.

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Documents affecting international copyright relations of the United States are listed in the appendix.

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THE DEPARTMENT OF STATE

Bulletin

Vol. XLII, No. 1090 • Publication 6994

May 16, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Presidents of United States and France Coordinate Views on Summit Conference

Charles de Gaulle, President of the French Republic, President of the Community, made a state visit to the United States April 22–29. President de Gaulle, accompanied by Mme. de Gaulle and party, was in Washington from April 22 to 26 and then began a brief trip in the United States that included stops at New York City, San Francisco, and New Orleans. Following are texts of a joint communique released on April 25 and an address President de Gaulle made before a joint session of the Congress, together with an exchange of greetings with President Eisenhower at the Washington National Airport on April 22, an exchange of toasts at the state dinner at the White House that evening, and remarks made by Secretary Herter at a luncheon on April 25.

JOINT COMMUNIQUE, APRIL 25

White House press release dated April 25

The President of the United States and the President of the French Republic have had a series of talks from April 22 to 25 on the occasion of the visit of General de Gaulle. The Secretary of State of the United States, the Minister of Foreign Affairs of France and the Ambassadors of the two countries have taken part in these talks.

The exchanges of views which they have had have permitted them to define more precisely the positions which will be taken at the Summit Conference on the questions which will be raised there.

The main purpose of this Conference in the view of the two Presidents is to achieve an easing of tensions in the international situation.

ADDRESS BEFORE THE CONGRESS, APRIL 25[1]

Unofficial translation

Mr. Speaker, the eloquent words you have just spoken, and for which I want to thank you, were inspired by the reason and sentiment which have at all times distinguished the relations between our two countries. Since the appearance of the United States on the world scene, we have fought side by side on three occasions and for three great causes. First, it was for your independence. Later on it was for the independence of others. Finally, it was for the independence of France herself. Our common past is filled with efforts and sacrifices. It is great because at all times we have served together for freedom. It is dear to us, so much so that in spite of vicissitudes the friendship between Americans and Frenchmen, though two centuries old, is today more alive than ever.

Under any circumstances, I would have come with joy to see my illustrious friend President Eisenhower, to bring to your Congress the very cordial salutations of the French Republic and to renew a direct contact with the American people.

I visited you in 1944, at a time when, under the leadership of Roosevelt, your decisive contribution to the war was to bring about the liberation of France and of Europe. I came back in 1945 on the morrow of the great victories won by the armies of the West, in Europe under the command of Dwight Eisenhower, in the Pacific under the orders of MacArthur, and while President Tru-

[1] *Congressional Record* of Apr. 25, 1960, p. 8034.

man was striving to build a peace both firm and just.

But from that time on, the world was destined to remain beset by troubles and dangers. My present trip is taking place on the eve of an international meeting where the fate of mankind may be oriented either toward calamity or toward peace. This explains the great importance which I attach to the conversations I have just had with the President and members of the administration and also to my meeting with you distinguished Senators and Congressmen at the Capitol in Washington.

Indeed, I do not believe that the human race has ever been more threatened than it is today. Mechanism now dominates the earth. It has brought forth gigantic material progress. But at the same time, it has produced two apparently irreconcilable systems, each of which claims it possesses the only workable way to transform society.

Moreover, the convulsions of two world wars have aroused in peoples, who number 2 billion, the will to liberate themselves from all foreign subjection and the passionate desire to reach the stage of development of the most advanced countries. Finally, there is no end to the accumulation and the perfecting of the means of nuclear destruction capable of annihilating life over vast spaces and the vehicles which can carry them anywhere. Given these elements which are bound with one another, the equilibrium of the world is no more than a cold war, a war that engenders fear, incites invectives and engulfs resources, and all problems appear insoluble and envenomed.

But, if in material terms the balance between the two camps which divide the universe may seem equal, morally it is not. France made her choice. She has chosen to be on the side of the free peoples; she has chosen to be there with you. Certainly in this decision what counts for much is the memory of what our alliance has been, the help given us under the Marshall plan after the last war to restore our economy, the threat that the Soviet bloc raises for us and for you and finally the colossal effort you are making so that, should the occasion arise, aggression brings death to the aggressor even if it must at the same time cause the death of the defender. But what has led France to your side and holds her there are her national spirit which is a 1,000 years old, her tradition which made her a champion of freedom, he ideal which has for name the Rights of Man an her conviction that in the end order in the worl calls for democracy on the national plane and th right of self-government on the internationa plane. And these are the very things which ar also the vision, the inspiration and the spirit o the American people.

Nonetheless while France has chosen to belon altogether to the gathering of the free peoples she does not despair at all of seeing peace estab lished in the world.

Since all things have to have a beginning, sh believes that only a detente is now possible an necessary. But this detente, who else can achiev it, but the nations who have been the creators an who remain the bearers of modern civilization This means all Europe and America, her daughter To be sure, the fate of the universe has at othe times depended on peoples of other regions. I may happen that, in the future, such might becom the case again. But, today, the destiny of ou human race depends upon the states of the Ol and the New World.

Let them be agreed and no one will ignore them If this cannot happen then every point on the land the sea and the sky will undoubtedly contain virulent cause of conflict. Besides, is it inconceiv able that the evolution taking place within eac of the two social orders now in existence in th modern nations may progressively reduce thei differences and their oppositions?

Until these nations have reached a true modu vivendi in their relations, however, any deman that might be made for the conclusion of treaties the definition of borders, and the modification o statutes in the most sensitive regions, would b unfortunate and untimely, because it woul jeopardize the better relations which we aim t establish. On the other hand in the peaceabl climate which could be created, objective solution would little by little come into view.

Everybody understands that, in bringing u such subjects, I am referring in the first place t those which relate to Germany. It is not my in tention to deal with them in detail here. But want to say that any attempt to aggravate th wounds suffered by the German people must b avoided. I will even add that Federal German is rendering the greatest possible service to coex istence by incorporating itself as it does into West

ern Europe. Through the organization of a Western Europe ensemble, facing the bloc built by the Soviets, it will be possible to establish, from the Atlantic to the Urals, some equilibrium between those two zones which are comparable, both in populations and in resources. Alone such a balance may perhaps, one day, enable the old continent to bring a reconciliation between its two parts, to find peace within itself, to give a fresh start to its civilization and lastly to have the possibility, together with America, to help, in an atmosphere of serenity, the development of the unfavored masses of Asia and of the awakening populations of Africa.

Indeed, such aid, offered to the countries that lack everything, is, for those who do not lack anything, both the greatest human duty and the most fruitful policy. How much less the chances of war if the great modern States should choose as a common aim such an undertaking. What a sigh of relief would pass across the globe if, in this field, above their rivalries, these great States established practical cooperation were it only, to begin with, limited to a few matters.

But, whatever the men who bear the paramount responsibility in the United States, the Soviet Union, Great Britain, and France may attempt in a near future toward improving relations between their countries, increasing human, economic, cultural exchanges as well as their cooperation for the development of certain Asiatic or African areas, peace and life will nevertheless be in jeopardy if the temptation and the threat of war remain hanging over the world due to nuclear weapons. To destroy these weapons by common consent, to enter the commitment not to manufacture any others, to open up all territories to reciprocal supervision, there is no other hope for the future of our species. One can indeed apply contractual measures first to the vehicles of death, missiles, planes, ships, which, even today, it is possible to prevent from carrying bombs and to supervise in common. It is precisely thus that France recommends that disarmament be started. But we have reached the last moment when an agreement appears possible. Failing the renunciation of atomic armaments by those states who are provided with them, the French Republic obviously will be obliged to equip itself with such armaments. In consequence, how many others will attempt to do the same? In the state of increasing uncertainty in which fear throws the peoples of the world, the risk grows that, one day, events will escape from the control of those who obey reason and that the worst catastrophes will be unleashed by fanatics, lunatics or men of ambition.

Three weeks from now, Messrs. Eisenhower, Macmillan, Khrushchev and myself will compare our views after having done so two by two. I do not think that anyone believes that it will be enough that the four of us sit together for problems of such magnitude to be effectively solved. Perhaps we shall, at last, decide on the road to follow, however long and arduous the stages may be. In any event, my country has determined its purposes and its hopes.

Americans, let me say to you: in the big contest which lies ahead, nothing counts more for France than the wisdom, the resolution, the friendship of the great people of the United States. This is what I came here to tell you.

EXCHANGE OF GREETINGS, APRIL 22[3]

President Eisenhower

President de Gaulle, it is a very great pleasure for me and for the American people to welcome you here, sir, with Madame de Gaulle and members of your party.

There has been a long and very special relationship existing between the United States and France. We have shared 200 years of common experiences. We have been devoted to common ideals, and the men of our two countries have shared their blood in common cause.

Through all of these experiences and these adventures, the affection and the admiration of one people for another have never weakened—indeed they have strengthened. And it is a happy circumstance that your visit here today is symbolic of that continuing affection and admiration that these people have one for the other.

It is indeed a happy circumstance that I can welcome you for the first time on this soil not only as President of France but President of the French Community. Our people are just as anxious for the development of those countries under the sponsorship of France as is France itself, and in-

[3] Made at the Washington National Airport upon the arrival of President de Gaulle (White House press release dated Apr. 22).

deed we hope that our ties of friendship with the entire Community will be as strong and as close as have those ties with the people of your country.

And now, finally, may I welcome you more especially personally. I met you first 18 years ago, in the dark days of a world war. From that time on our association has grown ever closer. And I must assure you—as I have assured my own people time and again—that the debt that the cause of freedom owes to General de Gaulle has not only been strong but it is one that is widely understood, appreciated, in this country—as indeed I think it is in all other portions of the free world.

I repeat my welcome on behalf of the American people and for myself to a man who in war and peace has proved such a great friend to all of those who love human dignity and are dedicated to the welfare of humans everywhere. We thank you for being here.

President de Gaulle

Unofficial translation

From the bottom of my heart, thank you, Mr. President. Seeing you and listening to you, I feel once more in agreement. Here I am once again in the United States of America. I had not been here for 15 years. This time again on your invitation, that is, the invitation of a dear and illustrious friend. This is another proof that one does not resist President Eisenhower. It is also impossible to resist the powerful stream of events.

A grave international debate is going to take place in 3 weeks. Before joining this debate for France, it was indeed necessary that I converse with the President of the United States. In any case, I feel a deep satisfaction to visit and salute the great American people, dear to my heart and upon whom rests to a very great extent the fate of the entire free world.

EXCHANGE OF TOASTS, APRIL 22 [8]

President Eisenhower

Mr. President, Madame de Gaulle, and friends: It is indeed a happy privilege for me to welcome President de Gaulle to this table on behalf of this company. My lasting respect and admiration for General de Gaulle began 18 years ago when I met him first in London. He and I were associates in a war, a desperate war, of which the hope was to gain a peace in which people could have faith and confidence.

At the end of that war we learned certain things about peace. One is that there is no peace merely because the cannons are still. Another is that many people talk about peace who are not talking honestly except as they conceive of a peace as a condition in which their opponents must surrender their privileges and rights and live in a state of serfdom.

Finally, we learn that peace is a rather delicate condition and characteristic, and it needs to be guarded with vigilance and with strength—with moral, intellectual, economic, and military strength.

Now General de Gaulle is a partner—with his country—of this country and this Government in waging the peace. In waging the peace we have other battles to fight. The campaigns and the battles against hunger, disease, privation, resentment, ignorance—all these are part of waging peace.

No single country can win this campaign by itself. We are proud indeed in this country that France with its great leader General de Gaulle is associated with us in this great effort—this worldwide effort; and more especially as a partner of ours in the great alliance of NATO, founded well over a decade ago to bring about a situation in which peace can be waged without fear and without bending to threat.

I can conceive of no more worthy partner that I should like to have at my side, in what efforts I can make toward waging the peace, than General de Gaulle. And for this reason I have a feeling of special honor in asking this company to join with me in a toast to General de Gaulle, President of the French Republic and the French Community.

President de Gaulle

Unofficial translation

Mr. President: Our two countries have given us—you and me—a sacred trust, that of Franco-American friendship. It seems to me that in our actions and in the performance of our duties we

[8] Made at the state dinner at the White House (White House press release dated Apr. 22).

have had the good fortune to preserve it and even to help it grow. Indeed, I do not believe that in the two countries since this flame was kindled the United States and France have ever been closer to each other in mind and in spirit.

Once again, only a short while ago, Mr. President, Paris gave you magnificent testimony of this when you were there on an official visit.[4] And this morning Washington in return has just given an unforgettable truth: When the world is troubled, when danger hovers over the peoples, when those in authority face the task at one and the same time of opening the path of peace and finding the means to safeguard the right of man to liberty, this moral and political force constituted by the natural agreement of our two countries has a worth and an impact that are unparalleled.

The forthcoming international debate will no doubt afford a new opportunity for demonstrating this. But I must point out that in any case no one has contributed to it more eminently, more effectively in the light of history, than President Eisenhower, in time of war and in time of peace.

In saying this, Mr. President, I am expressing the sentiments that we feel, my wife and I, when we are with you and Mrs. Eisenhower. I am also expressing the cordial and trusting frankness that inspire me in the talks that we have begun.

I raise my glass to President Eisenhower, the Government of the United States, to the American people—the friend and ally of France.

REMARKS AND TOAST BY SECRETARY HERTER [5]

Mr. President, Madame de Gaulle, ladies and gentlemen: France has traditionally maintained a preeminent position in the export of ideas, the least perishable of commodities. Ideas are immortal; their imprint can never entirely be erased. As a great American jurist [Oliver Wendell Holmes] once remarked, the human mind, once stretched by a new idea, can never return to its original shape. The destinies of many nations, including our own, have been indelibly stamped by ideas forged in France.

The importance of the material and political aid which France furnished to the American Colonies in their struggle for independence is gratefully appreciated. But equally important to the cause of American independence were the political theories of the 18th-century *philosophes*. They provided both sparks and fuel for the American Revolution. A decade later Montesquieu's *De l'esprit des lois* served as a handbook for the framers of the American Constitution. The doctrines of the French Revolution redrew the map of Europe. The words *liberté*, *égalité*, *fraternité* overran more nations than the armies of Napoleon. The Declaration of the Rights of Man won France more allies than the ministrations of Talleyrand. In areas of the world where French soldiers have never set foot, there is a *présence française*, a far-flung commonwealth of the spirit, established by words which have sprung from a Frenchman's pen and secured by the thirst for products of French thought.

The mind of each of this planet's 2 billion and more inhabitants is a battlefield in the ideological struggle between the Communist system and the free world. On these battlefields the weapons are ideas. Throughout the centuries France has been stockpiling ideas which, now as in the past, are rallying men's minds to the cause of human dignity and individual freedom. Foremost among France's contributions to the ideological arsenal of democracy in recent years are the soul-stirring words of General de Gaulle and the high standards of conduct and character that he has set for our and future generations. In those crucial early years of World War II, General de Gaulle, your words, your courage, and your faith in the indomitable spirit of France redirected France on her historic course. Almost two turbulent decades later, crisis called again to place the destiny of France in your hands. Today, as 20 years ago, you speak to and for France, but you also speak to and for freedom-loving people everywhere. Today, and always, your words, your faith, and your courage will serve as an inspiration to free men in their hours of need.

Ladies and gentlemen, the President of the French Republic and of the French Community.

[4] During his 11-nation visit to Europe, the Middle East, South Asia, and Africa Dec. 3–22, 1959, President Eisenhower attended a meeting of the Western heads of state and government at Paris Dec. 19–21; for background, see BULLETIN of Jan. 11, 1960, p. 46.

[5] Made at a luncheon given in honor of President and Mme. de Gaulle at Anderson House on Apr. 25 (press release 213).

Progress and Potential in South Asia: the Example of India

by Ellsworth Bunker
Ambassador to India[1]

My assigned subject is South Asia. According to the Department of State's definition, South Asia comprises the countries of India, Pakistan, Afghanistan, Nepal, and Ceylon. The area is thus defined, however, largely for administrative purposes. One becomes increasingly conscious of the rapidly growing interdependence of nations; the problems and progress of one impinge upon and affect, in one way or another, the problems and progress of all.

In this great subcontinent of South Asia live more than 530 million people, nearly three times the population of the United States. They vary from the most sophisticated and cultivated people I have ever met to simple peasants in hidden mountain valleys who do not even use the wheel.

The area contains a cross section of the world's religions: Hindu, Muslim, Buddhist, Jain, Sikh, Animist, Parsee, Christian—the Mar Thomas Church of Kerala is said to be the oldest Christian sect in existence—and small pockets of Judaism which date almost from Roman times.

There is a babel of languages. Take India alone. Her Constitution recognizes 14 official languages. A linguistic survey of the country some years ago listed 225 main languages and dialects. These countries are new to the modern world of politics and economics. Three of them—India, Pakistan, and Ceylon—are former colonial possessions. Nepal was opened to the world only a decade ago after a century of feudal rule. Afghanistan, the ancient pathway of India's conquerors, was until this century a strategic prize sought after by two of the world's great empires.

Yet these countries of South Asia share memories of former greatness, of civilizations and cultures which were among the most advanced in the world. Monuments of a glorious past are found everywhere and keep alive a pride of their history among the people.

Cultures persist in habits of thought, traditions, customs, philosophies, and so shape reactions to events and circumstances. One is aware of their outward manifestations in the courtesy, dignity, and grace one sees among people in all walks of life, in the ability to derive joy and pleasure from simple things, in a sensitivity to beauty.

They share something else in common, too, something that has been aptly called "the revolution of rising expectations." It is to that "revolution" and its implications for all of us that I should like to direct most of my remarks tonight. But if you will permit me I shall talk mostly in terms of India, both because I am more familiar with it and because within its border live about four-fifths of the people of South Asia. Her problems I think will illustrate those of the other countries as well.

Differences of Outlook and Development

This does not mean that there are not significant differences both in outlook and in stage of development among the nations of South Asia.

For example, the proudly independent, landlocked kingdom of Afghanistan has ambitious plans for rapid economic development. For a variety of reasons, some historical and some logistical, these plans are probably more difficult to carry out than are plans of a similar nature in other South Asian nations. The United States is

[1]Address made before the American Society of Newspaper Editors at Washington, D.C., on Apr. 23 (press release 209).

assisting Afghanistan in its development efforts, and we believe that our assistance will materially help her sturdy people to maintain their independence.

Ceylon, in contrast, is more fortunate than the other South Asian nations in a strictly economic sense. Yet the creation of a common sense of purpose and destiny, shared by all the diverse parts of Ceylon's population, is proving more difficult than fostering economic growth. We are helping Ceylon in her effort to achieve a better life for her people, and I have faith that, with no outside interference, Ceylon's carefully nurtured democratic tradition will prove to be equal to the tasks facing it.

Pakistan, unlike India, which is a secular state, came into being as a Muslim nation. Its eastern and western areas separated by more than a thousand miles of Indian territory, at the beginning it faced problems of administration, economic development, and political stability. Much of the period after independence was characterized by economic stagnation and political uncertainty. But under President Ayub's government impressive progress is being achieved in virtually all fields. Vigorous efforts are being made to use effectively the country's own resources and foreign assistance in stepping up the rate of economic growth. Efficiency of administration has been vastly improved, corruption rooted out, and a far greater degree of political stability has been achieved than at any time since independence.

One of the most encouraging recent developments—and from our point of view a most welcome one—has been the substantial improvement in Indo-Pakistan relations. Both sides deserve credit for this happy development. It has borne fruit in two agreements for the settlement of the border disputes between the two countries. Concerning the knotty problem of the division of the Indus basin waters, the Governments of India and Pakistan have long been striving to reach a settlement in negotiations under the auspices of the World Bank. In the summer of 1959 they agreed in principle on a Bank plan designed to insure the supply of water to both parties. Because of the magnitude of the system of works necessary to carry out this division of waters between the two countries, the Bank has proposed that financial assistance be provided by itself and by a group of friendly governments. Subject to necessary congressional action, which is now being sought, the United States proposes to join with other free-world countries in the financing plan elaborated by the Bank.[2] The Governments of India and Pakistan are now engaged in negotiating a definitive water treaty to govern the settlement, and it is hoped that they may shortly be able to agree on all outstanding points. The conclusion of this treaty and the implementation of the Bank plan will mark a great step forward in the improvement of relations between the two countries and in the economic development of the area.

A notable difference between Pakistan and the other nations of South Asia lies in the field of foreign policy. While the other countries follow a policy of nonalinement, Pakistan is a stanch supporter of the principle of collective security and as such is a member of both CENTO [Central Treaty Organization] and SEATO [Southeast Asia Treaty Organization].

The mountain kingdom of Nepal has but recently emerged from centuries of seclusion and feudalism. Lying athwart the Himalayas with 500 miles of its northern border contiguous to Tibet, it occupies a strategic position in the subcontinent. Now a constitutional monarchy with a popularly elected Parliament, it is attempting to bridge the gap to the 20th century. Here progress is bound to be slower than in India or Pakistan both because of past history, meager capital formation, and because of the formidable problem of communication. When the King goes out among his people, as he frequently does, it means often a 6- or 7-week trip on foot and horseback. When one asks the distance between villages, it is usually given in terms of the number of days' walk. Aid commensurate with Nepal's ability to absorb it is being given by India and the United States. Communist China has also been giving aid and has made further commitments recently. Russia last year signed an aid agreement with Nepal amounting to about one-third of what we have so far committed.

The Nepalese are an independent, sturdy, industrious people. The Gorkhas, who form units of both the Indian and British armies, are among the world's best soldiers. Under an enlightened monarch, an intelligent and devoted Prime Minister and Cabinet, Nepal is set to move forward.

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[2] BULLETIN of Mar. 21, 1960, p. 442.

In India a vast and varied population is in the throes of a peaceful "revolution," engaged in one of history's great experiments. The outcome of that experiment will determine whether an underdeveloped country, with a vast population increasingly aware of higher standards of living elsewhere, can build a progressive economy, raise living standards, develop sound social institutions, and achieve political stability within a democratic framework.

It is obvious, I think, that success or failure of this experiment will have far-reaching consequences throughout the world. The people of the newly independent nations especially are watching to see whether adequate, steady progress can be made within the terms of a free society or whether they will have to turn to the regimented methods of a totalitarian system; in short, whether they will have to surrender many of the values for which they have so long sacrificed and struggled.

It would be difficult, I think, to overstress our stake in the success of this great experiment. We want to see the principle of government by consent of the governed firmly established, its structure strengthened in this vitally important area of the world. We want to see the standard of living of these millions of human beings raised without loss of human freedom. We know that it is to our interest both in terms of our own prosperity and of the values we cherish that these things should come about. For, as President Eisenhower has said, we have learned that often the best way for ourselves to succeed is to help others to progress.

To this end we have provided India and the other countries of South Asia with large amounts of aid. The taxpayers of the United States, who are providing the necessary funds, are entitled to an answer to the question of whether this is a solid investment.

Problems Facing India

What is the balance sheet in India, for example? On the debit side there is an array of formidable difficulties. On the credit side there are many assets. Most important, as the balancing item, there is a record of solid achievement in the brief 12 years of India's independence.

Let us look at the left-hand side of the ledger—the debit side.

There is the matter of geography and climate. Shielded by the great barrier of the Himalayas from the cold winds of northern Asia the subcontinent for the greater part of the year lies under a canopy of intense heat.

There is the question of food. The caloric intake of Indians as a whole averages only about two-thirds of what is considered to be an adequate diet.

One wonders what effect such a climate and diet have on the energies and capacity to work of the people. Yet I confess to being constantly amazed at seeing men and women plowing their fields or harvesting their crops seemingly unaware of the intense heat of the summer sun, or working on one of the great new dams or on a construction job for long daily hours and often 6 or 7 days a week. The manager of a large construction job told me men and women got equal pay and that frequently the women turned in more work than the men. When I expressed surprise, he said it could be explained by the fact that the men spent more time gossiping—which goes to show, I suppose, that men are much the same the world over.

But there are problems other than those posed by climate or other natural phenomena with which the builders of the new India have been and are faced—problems of an economic, social, and psychological nature.

The first thing to keep in mind is the short experience of the country as an independent nation—only 12½ years.

The new nation came into being with the responsibility of governing and providing for over 320 million people and at the very outset suffered the terrible shock of partition. More than 10 million refugees moved from Pakistan to India or from India to Pakistan in 1947, uprooted from their homes, communities, and businesses. Countless thousands died by violence (bloodshed greater than our own Civil War), from exposure, disease, or exhaustion, or in the floods that compounded the nightmare. The economic and social trauma was immense.

Divisive forces, or, as the Indians say, "fissiparous" tendencies are at work. India has, for example, 14 official languages. Each is as different, one from the other, as French and German, English and Italian. Most have their own ancient literatures, and each is spoken by millions of

people. For example, as many people speak Telegu, one of the languages of the south, as speak Dutch, Flemish, Finnish, Danish, Norwegian, and Swedish combined. The Indian Constitution establishes Hindi, the most widely understood language, as the official national tongue but allows for the continued official use also of English until 1965, a date which may be extended by law. Strong opposition to Hindi, particularly in south India, makes such an extension probable.

With about one-third of the United States land area, India must now support a population of over 410 million—a population which is increasing at about the rate of 2 percent a year. In the face of this increase, immense efforts are needed to feed and employ the people of India even at their present standard of living, to say nothing of increasing it.

Besides the pressure of human population, there is that of a huge animal population. It is generally accepted that a substantial portion of the nation's food crop is destroyed or consumed by domestic and wild animals.

The rapid growth of the human population compounds another problem: poverty. The average per capita income is less than $70 a year, one of the world's lowest. And less than 20 percent of the people of India can read or write.

Add to these things the still remaining prejudices and barriers of caste, and habits of resignation and acceptance fostered by centuries of foreign rule, and the problems to overcome are enormous.

Accomplishments Since Independence

So much for liabilities. What of India's assets? On the right-hand side of the ledger there is a huge reservoir of easily trainable manpower; a large body of private industry with good managerial skills and a great deal of initiative; immense resources of fertile land never intensively cultivated and only waiting to be awakened into high productivity by the application of water, fertilizer, and modern methods; large resources of iron ore and coal situated close together as if designed by nature for convenience and economy in steelmaking; manganese, thorium, cotton, jute, tea; and large potential sources of power. In the field of administration one finds the largest trained body of dedicated and highly qualified civil servants in the developing world. Yet most important of all, to my mind, is an intangible asset, a genuine sense of purpose and devotion in those charged with the development of the country.

If one reviews what has been accomplished in the brief years since independence one must conclude, I think, that these assets have been effectively employed. The list is impressive by any standard.

The shock of partition has been survived. Some 554 princely states, comprising one-third of the land area of the nation and one-quarter of its population, have been peacefully assimilated into the Indian union.

A democratic Constitution has been drafted and put into effect. Collaborating in its drafting were a Brahmin and an untouchable. Like our own, it guarantees freedom of speech, press, and worship, protects the rights of minorities, and establishes the rule of law and an independent judiciary. It gives equal status for women and equal recognition of all religions, despite the overwhelming predominance of the Hindu religion, and seeks to break many of the shackles of outworn tradition.

For example, it outlaws untouchability, the most brutal manifestation of caste. Although the position of the untouchable—or *harijan*, child of God, as Mahatma Gandhi called him—is still a difficult one, progress has been made. With our own problems concerning segregation, I think we can look with sympathy and understanding on India's efforts in this area.

Political stability has been maintained despite all of the stresses and strains which India has undergone since 1947. Her leaders have firmly held to democratic methods, maintained free and open debate, made no attempt to stifle criticism from the press or the opposition political parties, and remain determined to bring to all of the people the benefits of freedom.

There have been two general elections in India, in 1951–52 and in 1957, in which the largest free electorate in the world participated. The roots of democracy struck deeper, and democratic institutions were strengthened. Through the elections people realized that they were a part of the new India and had a voice in its destiny.

In fact, from the first days of independence the people were made to feel that their nation was based on the principles of social justice. Mr. Dhebar, when President of the Congress Party,

summed up these principles as "equality of opportunity, equality of status, and security." From the very beginning it was accepted as a fact that the achievement of these objectives would depend on economic development, on the ability to make steady progress in raising living standards, and in developing sound social institutions in the fields of health, welfare, and education.

Toward this end India has been engaged since 1951 in planned economic development on an increasingly massive scale. The decision was made that the nation's limited resources must be husbanded and directed into channels where they could be used most effectively. There is nothing to spare, nothing to waste, in India. Hence a greater degree of control over the direction of investment is necessary than in the more highly industrialized nations whose economic development has been evolving over a much longer period of time.

One 5-year plan has been successfully completed. The second is nearing its close. The initial draft of the third has just been formulated. Under the plans so far agricultural production has been increased by 30 percent and industrial production by 50 percent. Gross national product in recent years has grown at the rate of about 4 percent a year. With an annual population increase of about 2 percent, per capita income has also grown about 2 percent a year.

The target for the third-plan period, 1961–66, is a 5 or 6 percent annual increase in gross national product. This surely is reasonable in terms of need, when one considers the low level of present per capita income. I believe it possible of achievement, given the fact that the current 4 percent rate of increase has been achieved in a period when primary emphasis has been on the development of basic industry, which does not immediately bring about a quick rise in the national product. During the coming plan period new steel mills will be in production, new dams will be producing electricity and water for irrigation, and other new industrial projects will add to the nation's economic life.

Multilateral Economic Assistance

To date United States assistance to India has been slightly more than $2 billion. A little less than half of the total has been in the form of surplus agricultural commodities. Considering this amount on a per capita basis, the total is not large—less than $5 a person.

Our assistance has entered into nearly every phase of India's economic development, public and private. We have, so far, built no monuments which can be pointed out to the visitor from the States as "the American steel mill" or "the American dam." But the overall effect of our assistance on India's progress has been greater, I feel, than if we had concentrated on this type of aid. Our help has been given where it was most needed.

There has been substantial assistance from other foreign sources—the International Bank, Britain, West Germany, Japan, Canada, the Soviet Union, and the Soviet bloc. The total from free-world sources other than the United States amounts to $1.3 billion; the Soviet bloc total is $773 million, although most of this will not be available until 1961 or later.

The third 5-year plan will require about $5½ billion of foreign exchange. The United States and other countries will undoubtedly be called upon to help bridge this gap. In my view we should respond generously.

It is probable that Soviet bloc aid will continue in substantial quantity. From all indications our friends also will continue or increase the level of their assistance. The Japanese have recently entered into an agreement for further development of India's tremendous iron ore reserves, the British will be in a position to lend greater assistance, and the expanding economy of West Germany probably can be counted on for increased aid. Other countries may enter the picture, as Austria did recently with an offer of a $20 million loan for machinery and capital goods.

I am the more convinced that we should continue our aid in view of the fact that India has been determined to help herself. She has had the courage and the necessary discipline to impose on herself a regime of strict austerity.

In the first 4 years of the second plan she spent $1.1 billion of her foreign exchange, bringing reserves to the minimum figure of $420 million. An already austere import program has recently been further curtailed; luxury imports are absolutely banned, as indeed are some imports necessary to adequate maintenance of the economy and desirable for its expansion. Further restraints on consumption are being imposed by the increase in indirect taxes in the new budget and a broadening of the tax base. Capital imports, no matter

ıow much needed, are not allowed unless foreign ›xchange is available to pay for them. In short, .he immediate interests of consumers have been ıubordinated to the long-term interest of the :ountry as a whole.

India has been solicitous of the international ·eputation and standing of the rupee. She has :crupulously honored her commitments for re-›atriation of profits and capital. She has repaid ı substantial portion of her drawings from the [nternational Monetary Fund. She has honored ıer international obligations.

I think you would agree with me that through ıll these measures, voluntarily undertaken, India neets the conditions for concentrated assistance ›nunciated by ICA Director Riddleberger last nonth to the House Foreign Affairs Committee ıs "full determination and disciplined self-help, ›lus an economic, institutional, and human base :apable of accelerated growth. . . ."[3]

India is demonstrating in action the truth of President Eisenhower's words that: "New nations, ınd others struggling with the problem of devel-›pment, will progress only . . . if they demon-ɜtrate faith in their own destiny and possess the will and use their own resources to fulfill it."[4]

Her leaders fully recognize the fact that the :ask confronting them is so immense that it re-ɿuires the mobilization of all available resources, ›ublic and private, domestic and foreign. The ›rivate sector of the Indian economy is active and vigorous. It has played a great part in India's ›rogress to date. Foreign investors have made a ıignificant contribution also, and this is growing. Wherever you go in India you will meet business-nen from Britain, West Germany, Japan, and ›ther countries "on business." The enormous po-:ential market of over 410 million people is attract-ng attention. I am glad to say that more and nore American firms are showing an interest in :he country.

Foreign private capital is welcome in a very vide and increasing range of activities. Almost ıny sound and attractive proposition will be sym-›athetically considered, for in Mr. Nehru's own vords the approach to the "socialistic pattern of ›ociety" in India is "not rigid." In discussing ›lanning he has said the "national plan need not, ınd indeed should not have rigidity. I am not at all dogmatic about it. We have to learn from practical experience and proceed in our own way."

[3] *Ibid.*, Mar. 21, 1960, p. 445.
[4] *Ibid.*, Jan. 25, 1960, p. 111.

Progress and Potential

I have traveled in practically every corner of India and have retraced my steps over most of it several times. I have been constantly struck by the change for the better to be seen in each area on each trip. We have had four United States trade missions in India during my tenure as Ambassador. These were comprised of experienced businessmen who knew their fields. In every case the members of the missions have come back to Delhi impressed by what they have seen of India's progress and even more impressed by the potential of the land. I wish that all of you could see for yourselves.

India is entering upon a crucial stage in its development. Momentum in progress has been built up. It must be maintained if India is to reach the point of "takeoff" and become a self-generating economy with the chance of realizing her truly immense potential.

At this time the relations between our two countries are, in the words of my friend Ambassador Chagla,[5] at an "alltime high." This is the result of many factors. The press has had its great share in the development of understanding between India and America. So have the excellent ambassadors India has sent to the United States. Most important of all, perhaps, is the sharing of deepest convictions and ideals. India is nonalined, to be sure, as we were for the first 150 years of our national life. But in the great struggle of the present day—the preservation and broadening of the dignity and rights of man—there is no doubt where India stands. She has chosen the democratic way of life.

In more than 3 years of service in India, I have talked with its leaders, its businessmen, its educators, men and women from all walks of life. Like my notorious colleague of *The Ugly American* I have attended many cocktail parties—in India we call them receptions—where I usually meet my friends of the press and often acquire from them information I find useful in my trade. Unlike him, I have gone to the "boondocks" and talked with the farmers and the villagers. From

[5] Mahomedali Currim Chagla, Indian Ambassador to the United States.

all of these contacts I think I have gained an insight into their problems, their weaknesses, and their strength. I have talked also with innumerable Americans of every business and profession who have visited or worked in India, gaining their impressions and benefiting from their experience.

Based upon this study, and against the background of a lifetime of business experience in the United States, it is my considered opinion that India can, with proper help, succeed in the great experiment—this great adventure, Mr. Nehru has called it—upon which she is engaged. I also believe strongly that it is vital for the free world that she do succeed. What India can do, the other countries of South Asia, given time, patience, and understanding assistance, can also do.

What does this mean for us?

It means waging a war, together with our friends not only in India but in the whole subcontinent, against poverty and disease and illiteracy, for human dignity and the means to live decently for hundreds of millions of people in this vast area of the globe.

It means waging a war against complacency, luxury, and smugness at home. It means humility to acknowledge that we haven't yet found all the answers, that nations and people are bound to develop systems suited to their own genius, needs and traditions, that the set of values they live by may legitimately differ from ours.

It means, finally, waging peace—creating situations where men have the incentive and desire to live with one another in tolerance, good will, in dignity and peace.

This is a time of opportunity for us in Government to help where help is desperately needed and where it can and will be put to constructive use. It is a time of opportunity for us in private industry to combine opportunities for legitimate profit with the challenge of helping to build a great modern industrial nation. Here is a call to industrial statesmanship.

"There is a tide in the affairs of men, which taken at the flood, leads on to fortune. . . . We must take the current when it serves, or lose our ventures."

Is the Tide Turning in Asia?

by Howard P. Jones
Ambassador to Indonesia[1]

As my topic this evening I propose to discuss the current role of the United States in the Far East, that portion of Asia which includes perhaps one-third of the world's population and a good deal more than one-third of its problems. My purpose is to offer a sort of stocktaking in an attempt to find a partial answer to the question: How far have we come in the Far East, where are we now, and where are we going?

Let us start off by looking at two contrasting policies for the Far East. One of them is our own.

Our contacts with the Far East began well over a hundred years ago, when speedy American clipper ships plied the trade routes between Asia and the West, American missionaries and philanthropic foundations began their program of educational work in China, and an American naval expedition brought Japan out of its centuries of isolation. These early links were forged largely by individuals—traders, seamen, naval officers, missionaries, and diplomats with extraordinarily flexible instructions. By the end of the 19th century, however, the United States had begun the creation of a national policy toward the Far East, one which has maintained a strong thread of consistency over the intervening 60 years.

This national policy can best be stated in terms of our primary objective in Asia: the emergence

[1] Address made before the American Society of Newspaper Editors at Washington, D.C., on Apr. 23 (press release 211 dated Apr. 22).

of a free community of responsible self-governing nations, each able to follow its individual destiny without outside interference. This objective, which stands out clearly today as the cornerstone of our Far Eastern policy, was plainly visible in the Open Door policy toward China announced in 1899 and is today evident in our continued championship of Asian freedom against external aggression. Following the cataclysmic upheavals of the Second World War, this same basic policy led us to grant independence to the Philippines, an independence we had fostered and prepared for over 40 years. Consistently, we also supported Indonesian independence and that of other countries in southeast Asia which had been colonies. This policy was also evident in our approach to a defeated Japan, which we treated not as a conquered province but as a potential friend to be assisted in its physical and moral regeneration.

Today this basic policy is the foundation of our friendship and cooperation with the free nations of the Far East. We seek politically, economically, and militarily to help these countries preserve their hard-won independence and to assist them in their aspirations for a better life for their peoples. These aims are based, of course, not only on idealistic reasons but also firmly on our own broad self-interest.

Policy of Red China

Let us now look at another policy, that of Red China.

To do this, let us imagine ourselves temporarily occupying the chair of the Chinese Communist "foreign minister" in Peiping. First of all, he is a doctrinaire Communist dedicated, in the words of Liu Shao-chi, "to . . . transform the present world into a Communist world."[2] This is not a dedication to a goal to be realized only in the distant future. It is one, he believes, which is actually being achieved before his eyes. Not only do the Communists consider the victory of socialism inevitable in the long run, but Mao Tse-tung has said, and the words have been interminably drummed into the 650 million inhabitants of the Chinese mainland, "The East Wind is prevailing over the West Wind"—"dynamic socialism" is now prevailing over "decadent capitalism and imperialism."

[2] Liu Shao-chi, *How To Be a Good Communist*, 1951.

Glancing around the periphery of his huge domain, the Chinese Communist "foreign minister" sees to his north and west the comforting presence of the Soviet Union. He tends to think in military terms as well as ideological, since he rose to power by his military experience. The leaders of this, the second most powerful military concentration on earth, are, like himself, Communists and dedicated to the same ultimate goals. He may be feeling his oats a little and willing to spar with the Russian leaders on tactics, but they remain his firm friends, who provide him with the technology and the materials, both military and industrial, needed for his own monumental plans. Indeed, the material and technological advances of the Soviet Union, the Russian sputniks and missiles, encourage his doctrinaire belief that the East Wind is prevailing over the West. He is satisfied for the present, but our Chinese Communist "foreign minister" may have the beginnings of thoughts about the future, when Communist China's own grandiose economic plans are no longer blueprints and the usefulness of the Soviet Union is past. But for the present, while making sure that his views are heard in Moscow, he willingly acknowledges the leadership of the Soviet Union.

Looking to the east, the situation is not to his liking. Japan, which could be an invaluable industrial and technological bastion of the Asian Communist world, has become a bastion of the free world. Because of the American deterrent he cannot at present contemplate a direct assault on Japan. He can, however, continue his attempts to subvert Japan's freedom. He does this through threats and cajolery, interference in Japan's internal affairs, the use of Japan's Communist Party and fellow travelers, the use of trade boycotts and deceptive offers of trade, the employment of every illicit Communist instrument and method.

On his opposite flank is India, a tempting target. The time, however, may not yet be ripe. The "foreign minister" in Peiping sees India's stable government, its international prestige, its membership in the British Commonwealth, and the facts of geography as obstacles requiring caution, indeed perhaps requiring a little retrenchment in Communist China's present policies.

Between these two flanks, each still beyond his reach, the Chinese Communist "foreign minister" sees what he may believe is a more immediate op-

portunity. The southeast Asian peninsula and the Philippine and Indonesian islands beyond are laden with the resources his country desperately wants to complete its mammoth plans: an abundance of raw materials to feed the forced growth of Communist China's industries and rich, relatively empty, agricultural land for its uncomfortably expanding population. He is determined to establish Chinese hegemony over this region through one tactic or another.

Reluctant to risk the dangers of a direct assault while other less provocative means continue to give promise of results, he sees possibilities in subversion and diplomatic pressure. He feels that these tactics may be fruitful because they are aimed directly at the weaknesses of these countries. For with only a few exceptions, the area suffers from widespread poverty and illiteracy, economic instability, political immaturity, shortage of capital, shortage of administrators and technicians, shortage of schools and colleges. It is rife with deep-seated resentments, social unrest, and the aspirations of the people for a shortcut to a better life and emancipation from age-old poverty. Communist China feels that these conditions are ready made for its methods of subversion and coercion, which it seeks to carry out while combating any progress toward stability and regional cohesion.

Less than a hundred miles off the coast of southeast China the Chinese Communist "foreign minister's" eyes light upon the most troublesome spot of all—Taiwan. Here he finds not only a sign of uncompleted business, a province he regards as an inalienable part of China not under the iron grip of communism, but also a living challenge and rebuke to the excesses on the mainland. The island is the site of the Republic of China, evidence that a free China, espousing the traditional and real ideals of China, still exists. This free China has demonstrated to the world, moreover, that real economic and social development can be achieved and the living standards of its citizens materially raised without resort to the regimentation and denial of human values found necessary by Red China to drive the Chinese people into serving the Communist state.

The Chinese Communist "foreign minister" does not nor can he be expected to miss an opportunity of declaring Communist China's right and determination to seize Taiwan.

Deterrent Power of the United States

Certainly no normal inhibitions against the use of force restrain Communist China from attacking Taiwan, southeast Asia, or Japan. Her record in Korea, the Taiwan Straits, Tibet, and elsewhere bears witness to this. The only inhibition the Peiping regime understands is the risk involved in initiating a military venture. The chief factor in this risk is the deterrent power of the United States in the Far East. How does the Communist "foreign minister" look at the United States? From before the establishment of the Peiping regime, it selected the United States as its enemy. In 1948 Liu Shao-chi, now chairman of the regime, described the world in terms of its being divided into two antagonistic camps, the "socialist" camp, led by the Soviet Union, and the "imperialist" camp, led by the United States. These camps stand in intense conflict, according to Liu, and there can be no neutrality between them. As recently as April 10, 1960, Chou En-lai premier of the regime, described the United States as an aggressor against China, bent on arms expansion and war preparations, encircling China with bases for attack, reviving Japanese militarism, and bent on establishing colonial rule over China and the rest of Asia. In short, Communist China recognizes the United States as the principal obstacle in the path of establishing its hegemony over the Far East. A primary intent of Peiping's policy is to drive us out of the western Pacific, or in the propaganda words of Peiping uttered on March 4 of this year, "U.S. imperialism, get out of the western Pacific! U.S. aggressors must go back where they came from."

There is nothing in this estimate of Chinese Communist thinking that has not been confirmed either by the open boasting or the actions of the regime. Thus we have the central problem and the central fact of affairs in the Far East today. Between our objective of a free community of responsible, independent nations and the Communist Chinese objective of a collection of communized satellite states there is no halfway mark.

We know that the military and economic power of Communist China is unquestionably increasing. Its rulers have shown themselves to be fanatic and aggressive, willing to force the most extreme sacrifices from their people. They are, in effect, gamblers, playing for the highest of stakes. They have wagered their regime's future on their ability

to drive their populace to the uttermost limits of endurance without breaking. Popular dissatisfaction with the regime's inhuman pressures is substantial and may grow still more, but we cannot count on this to reverse soon its expansionism. For the foreseeable future we must count on the fact of a powerful and aggressive Communist China at the center of the Far Eastern world, but one that a determined free world can hold in check.

Danger in the Years Ahead

This does not, of course, mean that we are inevitably committed to an armed clash with Communist China. However impressive the growth of Communist Chinese power, it will not in the foreseeable future approach that of ours. Only an act of arrogant blindness on the part of the Chinese Communists, a blindness with which they are not yet afflicted, will bring their forces deliberately into direct conflict with those of the United States. Existing on naked power, they respect power.

The danger over the years ahead, I believe, is that the Communists through constant pressure and attrition will succeed in their aim of causing us to abandon the policies and positions with which we are, with ever-increasing success, holding them in check. This can come about if we grow weary of the never-ending struggle and withdraw our restraining presence and support from the Communist targets. It can also come about if, in an effort to achieve more rapid results, we lose patience in the delicate task of working with the other nations of the Far East and attempt to substitute pressure for persuasion or coercion for cooperation.

At the same time we must not be deterred by the fact that there is no easy solution to the problem posed by Communist China. One such "easy solution" which is advanced from time to time calls for a change in United States policy in the direction of an accommodation with Communist China while at the same time we maintain our commitment to Taiwan *as* Taiwan. Perhaps I need only quote Chou En-lai again to show that this "solution" solves nothing. Addressing the National People's Congress on April 10, 1960, the Chinese Communist premier said in reiteration of the line that has marked all Peiping's utterances on the subject since the regime's establishment 11 years ago:

> To liberate Taiwan is China's internal affair, in which no outsider may interfere. However, the United States demands that China give up its sacred, sovereign right to liberate its own territory, Taiwan. . . . At the same time, the United States is trying all sorts of ways to create "two Chinas" in an attempt to legalize its seizure of Taiwan. . . . The Chinese Government hereby declares once again that the Chinese people resolutely oppose the United States plots to create "two Chinas". China absolutely will not participate in any international conference or organization wherein a "two Chinas" situation may appear.

Common Characteristics of Southeast Asian States

I have indicated my belief that the Chinese Communist regime looks upon southeast Asia as one of its primary targets for expansion. Not only the Chinese Communists but some others may think of southeast Asia as a region of small, weak states existing largely in the shadow of the three giant nations of east Asia—a sort of "Asian Balkans" serving more as a field for the international activities of other countries than as a dynamic participant in those activities. This view is so erroneous and of such potential danger to the shaping of policy that I should like to devote a few moments specifically to that region.

In actuality the southeast Asian states are by no means swaying helplessly before the blasts from the outside world. Nor are they so many peas in a pod, to be approached jointly with an identical set of policies for all. Each of the southeast Asian countries is very much an individual with a personality of its own. Roughly half of the region consists of a single nation, Indonesia, in population the sixth largest country on the globe and one which may be competing with Japan for fifth place within the next decade. Smaller than Indonesia are the four states of roughly similar size—Burma, Thailand, the Philippines, and divided Viet-Nam—each with a rapidly expanding population approximating that of Egypt or Turkey. The remaining four independent entities of southeast Asia—Malaya, Laos, Cambodia, and Singapore—are of key strategic importance to the political and economic well-being of the world.

From the 90 million Indonesians to the million

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or so citizens of the new city-state of Singapore, the southeast Asians display an extraordinary variety in their chosen forms of government, their cultures, the level of their economic development, and in their national aspirations. At the same time, however, they share a number of common characteristics. With the sole exception of Thailand, all of them have emerged from colonial status within the past 15 years and their attitudes are still strongly affected by the psychological aftermath of colonialism. All except Singapore are based on an economy of subsistence agriculture, which engages the overwhelming bulk of their people. All are dependent on agricultural and mineral exports to obtain the manufactured goods which their own infant industries cannot yet produce in volume. All suffer to a greater or lesser degree from the byproducts of their newness as nations: limited experience on the part of their leaders, a paucity of trained civil servants to staff their administrations, a political party system still in the early unstable stages of evolution, and, at times, a certain confusion as to aims and goals. All have also inherited to some extent a problem that continues to assume larger proportions as the power and ambitions of Communist China expand, that of the commercially powerful 12 million overseas Chinese settled among them. Finally, all share a fierce determination never again to fall into the role of colony or satellite to another power, whether that power be European or Asian.

Southeast Asian Suspicions of the West

This passionate dedication to their own independence is a chief component of the most powerful psychological force in southeast Asia today, that of nationalism. Basically, of course, nationalism is simply a feeling of unity with one's fellow citizens, a special pride in one's country, and a special dedication to its interests. In much of southeast Asia, however, it has come to encompass a number of other deep-seated attitudes and emotions that have not all been fully understood in the West.

As one example I might mention a fairly widespread southeast Asian attitude toward capitalism. In several countries of the region a form of socialism has been proclaimed as national policy. When I speak of capitalism, the image in my mind is, of course, that of our own extraordinarily successful system of free enterprise. To many an Indonesian, however, the same word conjures up a totally different image, that of alien control of his country's economy. Socialism represents the recapture of this control by his own government and people. It must be realized that, in the context of his own experience, his image of capitalism is valid. Due to various historical factors, capitalism in Indonesia has for centuries been the almost exclusive province of foreigners, European or Chinese. For him to be convinced that modern capitalism is not exploitative and does not imply foreign domination—that, to the contrary, it offers the best path toward economic independence and development—will require time and mutual understanding.

Similar gulfs in understanding appear in other fields. We and the new nations of southeast Asia have known each other for only a score of years, a time insufficient to erase entirely a suspicion of our motives which, however unfounded, is honestly held. During their struggles for political independence many of the southeast Asian nationalists were unable to look beyond that shining goal to see the many vexing problems that continue to beset independent nations. When achievement of their long-sought goal brought in its wake not immediate prosperity and stability but a painful often prolonged period of vexation and readjustment, their reaction was often one of bewilderment. Unable to ascribe their difficulties to the sacred cause of independence itself, some of them quite naturally sought to lay the blame elsewhere on the former metropolitan power, the prevailing capitalist system, or remaining foreign-owned enterprises. As these institutions were predominantly of Western origin, the West itself became to an extent, a focus for suspicion.

In discussing a still-existing southeast Asian suspicion toward the West, I do not wish to exaggerate its magnitude. Most of the southeast Asian nationalists are by no means motivated by a fanatic mistrust of Western institutions. Most are rational people, many of them familiar with Western institutions and sincerely anxious to adapt the best of those institutions to their own societies. We must recognize, however, that our image in the eyes of many southeast Asians is not that which we hold toward ourselves. At the same time through patience, understanding, and a sincere respect for their individuality, I believe that we have made substantial progress in reconciling these two images.

In their individual assessment of the internal and external threats that menace their new status, and in the ways they have chosen to meet those threats, these nations of southeast Asia have followed widely diverging courses. Thailand and the Philippines have sought security through cooperation with other nations of the free world in SEATO [Southeast Asia Treaty Organization]. Indonesia, Burma, and Cambodia have felt their security best served by avoiding such arrangements and depending on a policy of nonalinement for protection. It is not our part to criticize this policy. While we may have well-founded reservations as to the utility of nonalinement in fending off a determined aggressor, we fully respect the freedom of choice of those who adhere to it. We recognize that, whatever methods the southeast Asian states may select to achieve their goals, the goals themselves are virtually identical to ours. They wish primarily to be left in freedom from outside interference in order to develop their own institutions in their own way. Our own objectives in the Far East will be on the way to fulfillment if this wish is achieved.

These, then, are the main components of the Far Eastern world today: a powerful and aggressive Communist China, a bastion of the free world in Japan, and a cordon of struggling new nations attempting to shape their individual destinies in southeast Asia. The picture is one of incessant dynamic change, in which there are few constants. The direction that this change will take can have the most vital impact on the entire world. Our own future may well depend upon it.

Comparison of Far East in 1950 and 1960

It is difficult to chart the course of this dynamic, complex world of the Far East from a study of day-to-day events. Change follows change, crisis follows crisis, with such rapidity that earlier events tend to be erased from the memory. Perhaps the best way of illuminating the picture is to take a substantial period of time, comparing the situation at its beginning and at its end. One of the most tempestuous decades in Far Eastern history has been the one now drawing to a close. Let us take this decade and compare the Far East of 1950 with that of 1960.

From the standpoint of the free world the picture is a mixed one, with failures to balance against successes. At the same time—and I should like to emphasize this point—substantial progress has been made. The Far East is still, in 1960, an area of tension and of serious problems. It is also, incomparably more than in 1950, an area of hope.

Let us recall briefly the situation 10 years ago. The Chinese Communists had just completed the conquest of the mainland and were consolidating their grip over a quarter of mankind. The armies of the Republic of China had been shattered, and their remnants were withdrawn to Taiwan.

Japan was still under military occupation, its industries prostrate, its people totally dependent on outside aid for their very subsistence. A start had been made in physical and mental reconstruction, but no one could yet tell whether the fragile structure of the emerging new Japan would long survive in the harsh climate of postwar Asia.

Elsewhere in the Far East the picture was equally bleak. In Viet-Nam the nationalist movement had seemingly been captured by the Communists.

The Government of the Philippines had entered on the course of freedom and democracy, but its still-unseasoned government was facing a severe trial in combating the Communist-led Hukbalahap rebellion.

In large parts of Burma virtual anarchy prevailed. Scarcely had independence been secured when a brutal act of assassination wiped out much of the leadership upon whom the country depended, including its revered General Aung San. Before their successors could establish themselves in their positions, a series of Communist and other dissident uprisings had virtually destroyed central authority. By 1950 the authority of the Government of Burma extended little beyond the limits of Rangoon.

Indonesia in 1950 was undergoing the difficult process of dismantling a federal structure and attempting to build a unitary state upon the unstable foundations of regional dissidence and an economy severely damaged by 8 years of war, revolution, and Communist violence.

In Malaya a vicious campaign of Communist terrorism was in full sway, bringing fear and disruption and sapping the morale of this rich nation.

In the confused atmosphere of the Far East in 1950 fell the massive shock of the Korean war in June. The future of free Asia looked dim indeed.

This was the Far East a decade ago. The landmarks of the subsequent 10 years are familiar to all of us: the Japanese peace treaty, Panmunjom, Dien Bien Phu, the Manila or SEATO Pact, the Bandung Conference, Quemoy and Matsu Islands, Tibet, and Laos. Some of these events can be counted as advances toward our objectives, others as a step backward. All played their part in shaping the Asia of 1960. By comparing this new Asia, the Asia of 1960, with that of 1950 we can determine its progress over the decade.

I have already mentioned one of the central facts of the past 10 years: the emergence of Communist China as the dominant power of the Asian mainland. To complete the story, however, we should note that the decade has not been one of untrammeled success for that regime. The consolidation of its hold over the Chinese people has produced deep internal resentment and dissatisfaction. It has pushed its borders forward through the destruction of Tibetan autonomy and the creation of a satellite state in north Viet-Nam, as well as by nibbling at the boundaries of Burma and India. But there it has been halted. The Republic of China on Taiwan continues to provide an alternative to Communist domination of the Chinese people. The threatened expansion of Chinese Communist power into the Republic of Viet-Nam and Laos has been averted. Equally significant, the open revelation of Chinese Communist methods and objectives has led to a growing awakening and revulsion on the part of free Asia, a decisive turning away from the regime.

There are also positive achievements of the free world during the decade we are considering. For example, Japan has performed one of the miracles of modern times, rebuilding its shattered economy with a speed and energy unforeseeable in 1950, creating a stable and democratic political environment, and emerging as a mainstay of responsible freedom in Asia, with the greatest industrial concentration and pool of highly skilled labor east of the Urals. In the process it has provided the underdeveloped countries of the world with a graphic and exhilarating example of the fact that rapid economic progress need not involve state controls and totalitarian techniques. The factories of Japan are booming. Its people have entered the threshold of a new level of material welfare and responsible democracy. The lie has been given in most decisive terms to one of the chief dogmas of communism.

In other countries of the Far East many of the gloomy portents of 1950 have also been confounded.

In Burma there has been a remarkable improvement in security and stability. A number of serious problems remain to be solved, but the contrast between 1950 and 1960 is one of the most striking in Asia.

In the Philippines the Hukbalahap rebellion was resolved by the wise measures of President Magsaysay. The country still faces major problems, primarily of an economic nature. Anyone who has experienced the exuberant, positive attachment to democracy which characterizes the Filipino people, however, can feel a good deal of confidence in their ability to overcome these problems.

In Malaya Communist terrorism has been virtually eliminated. The nation has achieved independence in an atmosphere of prosperity and freedom.

In Viet-Nam the courage of a great leader, President Diem, and the dynamism of the Vietnamese people are overcoming odds which seemed insuperable a few years ago in the creation of this new and vital state.

In Indonesia, which I have come to know more intimately in the last 2 years than the other countries of which I speak, the course of the past decade has encompassed the whole of the country's history as an independent nation. At its inception the new nation faced unique problems of geography and ethnic disunity, seriously exacerbated by the stresses of a long and bitter revolution. We cannot pretend that these difficult problems have yet been solved. Their continuation has led to an increasing strain on the country's economy, which, in turn, has brought forth still more problems. There are, however, firm grounds for hope that the turning point may be approaching, that Indonesia may master its problems and go on to realize the full potential of its rich land and gentle, friendly people. The nation is still seeking to establish its own identity, an identity which will be a reflection not of any external society but of its own soul. Perhaps the greatest achievement of Indonesia during the past decade is that, despite crises which could have demoral-

ized many a more mature state, the nation is still able to pursue its search with vigor.

Need for Continuing Vigilance

This, then, is the Far East in 1960, the base from which we venture into the still-unknown world of the coming decade. If we compare it with the base from which we entered into the decade of the 1950's, I believe we have grounds for satisfaction and cautious optimism. Viewed in a 10-year perspective, the Red tide is ebbing in the Far East. It might not be going too far to say that the much vaunted "wave of the future" has lapped at the shores of Asia and is becoming a wave of the past. The adventures of Communist China in Tibet, Laos, India, and Burma have aroused Asians to a new appreciation of the Communist danger. Communist goals, too, are beginning to be more widely understood. The Communist lure of land to the tiller has turned out to be a tragic myth. Instead, the peasant under the Chinese brand of communism has become an institutionalized factory hand with no family life of his own.

At the same time we must not fall into the deadly trap of complacency. The primary source of the current stresses in the Far East remains Communist China, and the advance it has made in increased power and seeming prestige matches the progress made by the free nations on mainland China's periphery. We must remember that the measurable progress we have made toward achievement of many of our objectives in the Far East has been the result of sustained effort, a continuing responsibility on the part of the American taxpayer, and even the expenditure of American lives. The fact that we *are* making progress should be the signal for not only continuing vigilance but even greater effort to consolidate and expand that progress. The case Ambassador [Ellsworth] Bunker has made for our aid program in India [3] can be repeated with varying emphasis for every country in Asia.

As I said earlier, Asia is a dynamic world. Only a sustained, dynamic approach to its problems and its potentialities will achieve our objective of a free community of nations, each living in the security of mutual respect and mutual tolerance. And until that objective is achieved, we cannot consider our own nation as secure.

[3] See p. 776.

President Sets Date for Visit to Portugal

White House press release dated April 26

In connection with the previously announced visit of President Eisenhower to Portugal,[1] a date has now been agreed upon. President Eisenhower will arrive at Lisbon on the morning of May 23 and depart on May 24. These dates were selected in the expectation that the summit conference will have ended by that time. Should the conference continue beyond the dates of the President's visit to Portugal, however, President Eisenhower either will return to Paris or, if domestic requirements make this impossible, will request Vice President Nixon to represent the United States for the remainder of the conference.

U.S. Reiterates Policy on Travel of Newsmen to Communist China

Department Statement

Press release 203 dated April 20

A year ago the Department of State, in announcing the extension of the validation of passports of American correspondents to travel to Communist China, stated: [2]

> . . . the Department has repeatedly made it clear that, if any bona fide Chinese Communist newspaperman should apply for a visa, the Secretary of State is prepared to consider recommending to the Attorney General a waiver under the law so that a visa could be granted. Not one Chinese Communist correspondent has yet filed an application. American law does not permit the Department to do what the Chinese Communists demand, which is to agree in advance to admit an equal number of Chinese Communists, even before their identities are known to us. If the Chinese Communists were indeed interested in reciprocity, they would have an equal number of Chinese newsmen apply for visas.

In the year that has passed the Department:

1. Added two more to the list of the 30 American news organizations authorized to send one representative each to Communist China, bringing the total to 32;

2. Removed from the validation the reference to the Communist-controlled portions of China,

[1] Bulletin of Apr. 11, 1960, p. 556.
[2] Bulletin of May 11, 1959, p. 673.

which reference several American newsmen had indicated might militate against their receiving a visa to enter Communist China. These passports now have no time limitation other than the periods for which they are normally valid.

In the same year, despite U.S. initiatives:

a. The Chinese Communists have not granted a single visa to an American correspondent to enter Communist China.

b. Not a single Communist Chinese correspondent has filed an application for an American visa to enter the United States.

c. The Chinese Communists have continued to insist that, if there is to be travel of newsmen to each other's countries, an agreement must be announced for this purpose. This agreement must promise "equal and reciprocal treatment."

It should be noted that the United States has never had such an agreement with any other country. Nor has the Peiping regime apparently found it necessary to conclude such an agreement, even with those countries where it has no diplomatic relations and where journalists of its official New China News Agency operate, i.e. France and Cuba. It is obvious that Peiping is seeking to use the issue of news representatives in an effort to force the United States into a formal agreement to improve the prestige of the Chinese Communist regime.

The U.S. position is simply that ample provisions already exist under the law to permit the "equal and reciprocal" travel of newsmen to each country. The fact that the Peiping regime has not yet allowed any of their journalists to apply for a U.S. visa casts substantial doubt on their professed concern for reciprocity. In July 1959 one American news representative was refused a visa on the grounds that it was "not convenient at this time." It is also known that the requests of several reputable free-world journalists other than American have been either turned down or ignored in recent months. Therefore, on the basis of the situation as of today, the Department of State is obliged to conclude that Communist China, despite its statements, has no serious interest at this time in either the travel of its own newsmen to the United States or the travel of American newsmen to the China mainland. The representatives of this Government will, however, continue to press for a satisfactory solution to this problem with representatives of the Peiping regime whenever the occasion presents itself.

The 32 American news organizations, accredited by the Department on the basis of the established criteria announced on August 22, 1957,[3] namely, that they had demonstrated sufficient interest in foreign news coverage to maintain at least one full-time American correspondent overseas and that they wished to be represented in Communist China for 6 months or longer, are the following:

American Broadcasting Company, American Universities Field Service, Associated Press, Chicago *Daily News*, Chicago *Tribune*, *Christian Science Monitor*, Columbia Broadcasting System, Copley Press, Inc., Cowles Magazines, Inc., Denver *Post*, *Encyclopaedia Britannica*, Fairchild Publications, Inc., McGraw-Hill, Minneapolis *Star & Tribune*, Mutual Broadcasting System, National Broadcasting Company, *National Geographic Magazine*, Newspaper Enterprise Association Service, Inc., New York *Herald Tribune*, New York *Times*, *Newsweek*, North American Newspaper Alliance, *Reader's Digest*, St. Louis *Post-Dispatch*, *Saturday Evening Post*, Scripps-Howard Newspapers, *The Sun* (Baltimore), Time, Inc., United Press International, *U.S. News and World Report*, *Wall Street Journal*, and Westinghouse Broadcasting Company, Inc.

Secretary Supports Closer Ties Between U.S. and Japan

Following is a message from Secretary Herter which was read by J. Graham Parsons, Assistant Secretary for Far Eastern Affairs, at the New York Public Library, New York City, on April 27 during that city's ceremony inaugurating its sister-city affiliation with Tokyo.

Press release 220 dated April 27

In this centennial year of United States-Japanese diplomatic relations I am delighted to send my warmest wishes to the Tokyo-New York affiliation ceremony.

I join Mayor [Robert F.] Wagner and the citi-

[3] *Ibid.*, Sept. 9, 1957, p. 420.

zens of New York in offering a hearty welcome to Governor [Ryutaro] Azuma and the distinguished Japanese delegation who are here to represent the citizens of Tokyo.

The ties you are establishing today between the peoples of these two great cities will serve to bring even closer together the peoples of our two nations and to encourage our efforts to advance and prosper in peace and friendship. In this most important work you have my sincere support.

The Citizen and Foreign Policy

by John W. Hanes, Jr.
Administrator, Bureau of Security and Consular Affairs [1]

Some years ago it might have been thought remarkable that a group of businessmen meeting in convention should have any interest in our foreign affairs. Today it would be remarkable if you did not, for there is no other subject which so intimately affects your lives, your taxes, and the future of your children—or whether they will have a future.

The year 1960 will bring forth ample political debate on every aspect of our foreign policy toward individual countries. I do not, therefore, intend to speak on current affairs. Rather, I would like to try this morning to outline the broad course of our foreign relations in the hope that this may give some sense of perspective.

John Foster Dulles outlined the foundations of our foreign policy as simply as I have ever seen done. He said: [2]

United States foreign policy is designed to protect and promote the interests of the United States in the international field. It is based upon certain facts and convictions:

(a) That the peoples of the world universally desire the elimination of war and the establishment of a just peace;

(b) That the designs of aggressive Communist imperialism pose a continuous threat to every nation of the free world, including our own;

(c) That the security of this nation can be maintained only by the spiritual, economic, and military strength of the free world, with this nation a powerful partner committed to this purpose;

(d) That change is the law of life, for nations as well as for men, and that no political, economic, or social system survives unless it proves its continuing worth in the face of ever-changing circumstances;

(e) That the effectiveness of our collective-security measures depends upon the economic advancement of the less developed parts of the free world, which strengthens their purpose and ability to sustain their independence;

(f) That in all international associations and combinations within the free world, of which the United States is a member, it considers all nations, including itself, as equals. The sovereignty of no nation will ever be limited or diminished by any act of the United States.

Perhaps the most significant thing about this list is that only one of the six points refers directly to Communist aggression.

This is important, not because the threat should be minimized but because too many people, when they think about foreign policy, never get beyond that particular point. To do so, however, is to deny the existence of any positive goals for our foreign policy and equally to condemn ourselves to a policy of defense against the initiatives of others. Any such policy would indeed be a sterile and hopeless one.

The Era of Change

In my opinion the most basic point of all is "that change is the law of life, for nations as well as for men, and that no political, economic, or social system survives unless it proves its continuing worth in the face of ever-changing circumstances."

This era, as no other in recorded history, is the era of sudden and basic change. It is true, of course, that there have always been forces of

[1] Address made before the National Association of Hosiery Manufacturers at Miami, Fla., on Apr. 21 (press release 204 dated Apr. 20).

[2] BULLETIN of June 23, 1958, p. 1035.

change. The course of history has been determined by whether such changes could be absorbed, and therefore came peacefully, or whether they demanded more flexibility than the particular society involved was capable of showing, in which case they came violently by war or revolution. This is a historic pattern and is fundamentally not different today. What *is* different, however, are two factors.

First, never before in history has the state of transportation, communications, and technology been sufficient to permit the forces of change to affect more than a relatively small area of the world at any one time. Today the implications and every effect of the great forces of change are immediately global.

Second, never before in history have there been more than one, or occasionally two, fundamental forces of change operating at any one time to alter the fabric of society. Today there are at least four which I think are clearly identifiable.

Let us then consider these forces of change, for plainly they are the challenge which underlies our foreign policy and, indeed, our national survival. How clearly we understand this challenge will determine whether our country will remain free in peace or whether it will increasingly slip downward toward a position of ultimate encirclement and war or subjugation.

International Communism

The movement of international communism is certainly one of the great forces of change. Within 43 years a small group of violent men, starting in Russia, has seized control of all or major parts of 17 nations, with nearly 1 billion people. As a result, the great central landmass from East Germany to the Pacific became Communist-controlled.

The Soviet military power base and potential for aggression and domination is enormous. All its resources are centrally controlled and used to achieve the original goal of world conquest.

Soviet communism, of course, is no longer a true revolution. Its theory has been destroyed because it was based on the inequities of the industrial revolution as it existed more than a hundred years ago. The fact that capitalism has long since eliminated these evils, and has gone on to provide every element of our society with a full life beyond anything in the experience of history, has given a proof of error and a contrast which the Communists find intolerable.

The experience of more than 40 years of rulership in Russia has transformed the Communist leaders from revolutionaries into overlords and has given them one of the most monolithic vested interests in history to protect from any new revolution. The combination of these facts with a modern technology has made international communism today the most oppressive reactionary force which the world has ever known.

This does not prevent communism from utilizing the mask of revolution as one of its most effective disguises.

International communism is implacably hostile to the freedom of men everywhere, but this is not universally recognized in unsophisticated countries where there are few standards of comparison or valid grounds for judgment. To many of these countries, the Soviet Union—a country which only 40 years ago was seemingly as backward industrially and economically as they themselves are today—stands as a symbol of the progress which can be made in bringing economic advancement to an underdeveloped country. Whether or not this is true, the terrible price which has been paid for this "progress," in human lives, in individual dignity and personal freedom, is often unknown; but the technical achievements which the Soviets advertise so loudly are very well known indeed.

In most of these countries highly organized Communist parties work skillfully to exploit the fiction that communism alone shows the quick way to progress and productivity. This illusion makes communism doubly dangerous, for it allows it not only to operate as a force of change in itself but also to seek to incorporate all other forces of change toward its own ends. Its requirements seem simple when stated in words: they are only that all the resources of a society—of which human beings are just another one—be controlled and directed in accordance with a master plan to assure conformity of thought and act and eliminate the discords inherent in a society which gives freedom of choice to the individual.

It is our challenge to demonstrate the fundamental horror of what this means—and that it is neither the only nor the true path to progress.

The New Nationalism

The second great element of change in the world today is the march toward political and economic

freedom of colonial peoples. Since World War II, 24 new nations with a population of 800 million people have achieved political independence. In Africa alone, the single year 1960 may produce as many as 7 new independent states. The United Nations was created in 1945 with 51 member nations. Twenty years later, there will probably be at least 100 independent countries in its assembly, one-third of them African. One billion more people responsible for their own political destiny—but also powerfully affecting ours.

This great force of change, this "new nationalism," is a force which we, of all peoples, should not fear, since its basic motivations are the same as those which brought liberty and nationhood to us. And yet it may hold great potential dangers for us if our leadership and understanding are not sufficient to recognize its implications, to satisfy its legitimate aspirations, and to guide its developing influence into channels consistent with the welfare and peace of the world as a whole, as well as with the prosperity and freedom of the new nations themselves.

The new nationalism is found, of course, primarily in countries which have only just emerged from the colonial rule of the Western World. These countries tend to share certain attitudes. They are suspicious of the former colonial powers; and this suspicion is often generalized into a suspicion of the entire Western World, including the United States. They may be unskilled in conducting their own affairs, but they are fiercely resentful of any implication that they are unable to do so. They are jealously proud of their new independence and often feel that it must be continually demonstrated by actions displeasing or inimical to other states, preferably powerful Western states which are identified with the colonial past.

All these reactions, while understandable, are dangerous—dangerous to us and dangerous to the new nations themselves. For it is at this point that international communism can sometimes tempt the unwary into a seemingly harmless alliance by vigorously supporting the most extreme nationalism. The fatal extent of the political and economic infiltration which the Communists carry out under this cover may only become apparent too late.

It must be a prime objective of American foreign policy that the force and the potential of the new nationalism should develop in freedom, that the dawn of independence not be merely a brief interval of light between colonialism and the long night of Communist domination.

The March of Science

The third great force of change is, of course, the scientific revolution which we characterize loosely as the "nuclear age." The discoveries of the past 20 years exceed, in their potential impact upon human life, all the developments of all the thousands of preceding years of human history. The implications of the atom alone stagger the imagination—unlimited, unending power for peace that could create a world without want; or unlimitable, all-ending power for war that could produce a world without life.

Science has offered us life and health and old age where formerly was sickness and disease and death. These blessings have come inextricably mixed with the new specter of overpopulation. Every triumph in the laboratory spawns new problems in applying it to the affairs of men; and each one challenges the ability of existing social institutions to meet this ever-quickening tempo of change.

Our first halting steps into outer space are not less significant for the future. Today it is mechanical satellites and missiles on the fringes of our own world's atmosphere. But I expect that many of us will see the tomorrow when men travel to other worlds than our own. What this will mean, we can sense but dimly. But that its meaning will be one of infinite change we cannot doubt.

The Conflict of Ideas

There is, of course, a fourth great current of change in the world which we must not underestimate simply because it is not new and we are close to it. That is the force of Western democratic thought with its tradition of intellectual and personal liberty. It does not involve intimidation or fear. It holds forth the hope of achieving by peaceful means man's noblest aspiration: the progress under law of the individual toward a fuller life in freedom.

This great force of change has within it just as great a potential dynamic as any of the other three which I have mentioned. And we must recognize this clearly: whether that potential is

to be realized in the world of today is a responsibility of leadership that has been inherited by the United States. And now we have come full circle; for how that responsibility is or is not carried out, is, by definition, United States foreign policy.

I turn now to the major outlines of that policy.

The Organization of Peace

The basic objective of our foreign policy is to safeguard the United States; and the method to which we have undoubtedly devoted our most intensive effort is the creation of a world where peace with justice is firmly established—what might be called the organization of peace.

This takes many forms. The United Nations is, of course, a fundamental structure in building a world society based on law, and therefore support of the United Nations is a basic part of our foreign policy. The United Nations has both strengths and limitations. Our policy recognizes both.

There are also power factors and relationships today, as there always have been, which exist outside any formal structure. The forthcoming summit meeting, and similar negotiations among states which have preceded it over the years, are recognitions of this pragmatic fact.

The purpose of any international mechanism, whether it be called a United Nations or a summit conference or an exchange of ambassadors, is to provide a method whereby countries may understand each other's real needs and motives and goals and work out methods by which these can be reconciled in peace. That, at least, is the traditional use of such mechanisms; and it is still the use which *we* make of them.

We are well aware that communism frequently seeks to use them merely as weapons to achieve world domination. There have been occasions, before this was well understood, when communism has been successful in perverting these peaceful processes to its ends. But we have found that, if our objectives are modest and our methods prudent, we, too, can have successes. We have been able to make self-enforcing agreements with the Communists which have enhanced the prospects of peace and have not furthered the aims of Communist imperialism. Such agreements are not easy to come by, and they must be guaranteed by more than promises. But with patience and persistence they are possible. Indeed, in the present circumstances of a world haunted by the shadow of nuclear devastation, it is clear why we seek every proper opportunity to explore differences and to find tolerable methods of accommodation, however tedious and frustrating the path.

It is in this spirit, motivated by necessity and perseverance rather than by any naive belief that communism has somehow changed its nature or its goals, that we approach the coming summit negotiations—and the probable succession of negotiations of all types that will follow over coming months and years.

The Evolution of the Alliance

Since we recognize, however, that neither institutions such as the United Nations nor negotiations at the summit can in themselves dependably safeguard the peace or guarantee our own freedom, we must and do build strength elsewhere.

The first place we build is in our own Military Establishment. It will remain an absolute prerequisite to the peace and security of the world, to the preservation of our nation, and to the success of our diplomacy that our military power be second to none.

Our armed strength today, however, is far more than national, and our Military Establishment is charged with a trust for the security of many other nations. It is dependent, in turn, for its effective functioning upon their cooperation.

The means by which we practice this cooperation is our worldwide system of alliances under which the United States has made cooperative defense treaties with 42 other nations.

This system has two great purposes. The first is to set up a political warning system designed to remove the possibility of Communist miscalculation as to our intent and our resolution—miscalculation which has been the cause of so many of the wars of the past.

This worldwide barrier along the periphery of the Communist world precludes the chance that Red armies will conquer the free nations one by one. It has been erected despite enormous difficulties. And it is a very great accomplishment indeed.

Our collective security arrangements are supported and made workable by our Mutual Security Program of military aid. Approximately one-

half of the roughly $3½ billion that we spend on mutual security each year goes for military hardware and direct military assistance to our allies.

But the system of collective defense that the free nations have built is not just a United States gift to the world. Other nations contribute importantly. They provide bases which greatly increase the effectiveness of our deterrent power. They contribute the bulk of the ground forces—the 12 nations which receive most of our defense support maintain 3 million men under arms. They provide what is most important of all—a courageous will to resist powerful forces which knock threateningly at their very doorstep.

Originally our collective defense arrangements were thought of as purely military alliances. One of the most encouraging developments of our time, however, has been the growth of these alliances, notably NATO [North Atlantic Treaty Organization], into effective means for close political and economic cooperation without abandonment of the sovereignty of the members.

This system we are helping to build is, therefore, no mere temporary expedient. It is a constructive evolution which should persist until such time as an international rule of law can be established that is universal, enforceable, and dependable.

The Economic Dimension

I have spoken so far primarily of our political and military arrangements. They have formed the shield to meet and largely to absorb the shock of overt Communist military and political aggression which has characterized the decade and a half just past. However, these more traditional instruments of foreign policy may *maintain* peace, but they do not by themselves *build* peace in the changing world of today. They do not meet the problems of poverty and hunger and illness that beset three-fourths of the world's population and thereby press upon the stability both of the new nations and of all political institutions.

For these reasons our diplomacy has devised a new dimension of economic assistance.

There are strong moral and humanitarian reasons for these programs which seek to raise hundreds of millions of people above the level of subsistence. Freedom and democracy and individual dignity can hardly be meaningful concepts to a man whose children are starving, or dying of a disease which he knows can be cured.

But there are equally compelling reasons of practicality for our assistance. If the less developed countries should turn to communism in a mistaken effort to speed their development, our own security would be gravely endangered. As parts of a worldwide bloc of political and economic hostility, they could submerge us. Free and prosperous, these same countries represent both a source of vitally needed raw materials for our economy and a limitless potential market for our trade.

One rather rueful indication of the success of our programs is the recent copying of them by the Communists. In the past 6 years the Soviet Union has given $2½ billion worth of military and economic aid to countries outside the Soviet bloc. This aid has been carefully concentrated in about a dozen politically key countries in Asia, Africa, and the Middle East. These are areas of the world where history and economics have combined to make Soviet aid offers attractive to a degree not well understood by Americans.

Sixty-five countries, with a population of a billion and a half, have an average per capita income of less than $200 per year. The annual per capita income of the United States is $2,700. The great mass of humanity who "have not"—once apathetic in its ignorance of any other life—now knows of this great disparity. The fledgling governments in the new lands recognize that they can survive only if they satisfy—and quickly—the explosive demand for a better life which has been kindled everywhere throughout the underdeveloped world. They also know that this means—in addition to their own effort, however great—that they must have capital investment and technical assistance from abroad.

They fully intend to get these things. They will get them wherever and however they can.

These are the economic reasons that communism and nationalism can become dangerously intertwined, and it is the active intent of the Communists that they shall do so. Do not underestimate the resources which Soviet Russia can apply to this economic battle. The gross national product of the Soviet bloc, including Communist China, is about $400 billion a year, and rising.

However, our own assets, if we use them wisely, are also immense.

We have been hopeful that other peoples might regard with favor and adopt our essential institu-

tions. We have never sought by force or subversion to remold the world in our own image. We have clearly recognized, however, that in this interdependent world the existence of Western institutions is imperiled unless the less developed countries are provided both the knowledge and the incentive to choose some route other than that offered by communism to find economic freedom without sacrificing political liberty and human dignity.

Disarmament

There is one other aspect of United States foreign policy which is very important.

We are not content with a world where militarily we must strain just to preserve a minimum security and where the cost of maintaining a grim arms balance absorbs our best efforts, consumes our substance, and pervasively shadows our future. So we strive for dependable disarmament, meaning reliable measures of international inspection to diminish the danger of massive surprise attack, and actual limitations or reductions of various types of armament.

The Soviet Union for 15 years has frustrated any progress by persistently evading any concrete inspection proposal to verify its compliance with any agreement. We have equally persistently refused to give up our defenses and our security in exchange for a Communist promise.

It is easy to become discouraged about the possibility of ever achieving disarmament, and it is tempting to seek some progress—any progress—by agreeing to just a little less than is safe. But the stakes are too high for us either to stop trying or to start gambling. The failure to find a sound basis for stopping the nuclear arms race may be as sure a way to end the world as agreeing to a wrong way. We dare not be more than reasonable—nor less than hopeful.

The Foundation of Policy

It is plain, then, that our objectives in foreign policy must be very long-range. Furthermore, they must rest on solid foundations.

The most important of these is the understanding and approval of the people of the United States. American foreign policy is directed by the American people in a very real way. The day-to-day aspects of our international relations, naturally, are not; but over any reasonable period of time, the operation of our political system makes the support or opposition of the American people controlling.

If our people become dispirited or apathetic or complacent or fearful, it will not be long before these attitudes are faithfully—and fatally—reflected in our foreign policy. It thereby becomes essential that the American people clearly understand the true nature of the world they live in and of the enemy they face.

International communism is engaged in total war with us. It is prepared to continue this war for as long as necessary. Communism, with its belief in its own inevitability, has a terrible patience in seeking its designs. It is my belief and fear that we face a greater danger from our own impatience than from hydrogen missiles.

Two facts are starkly simple. Soviet communism will not go away and stop endangering us in the foreseeable future because of *any* action or series of actions which the United States can take alone. And the United States *alone* could not long survive in freedom against a world fallen under Communist domination.

These things being so, the American people must change some basic attitudes. For one thing, we must learn that because something is bad does not necessarily mean that changing it will make it better. The fact that a policy toward a bad situation has resulted in no improvement does not necessarily mean that the policy is wrong or that another policy should replace it. Any change, under some conditions, might only reward our enemies for being steadfast in their refusal to change.

We hear much of flexibility. Flexibility is a very good thing if we define and use it properly. It is a useful ingredient of fishing rods—and of diplomatic tactics. It is a very dangerous ingredient of cornerstones—and of principles.

Let me illustrate these things with two examples.

Berlin has become a symbol of the resolution of all free people, including our own, to resist Communist enslavement with strength and a quiet firmness. The massive efforts which the Communists have made to erase it ever since the time of the Berlin blockade are compelling testimony to its importance. They find Berlin intolerable.

Berlin, therefore, is a "trouble spot." But the fact that this is still true after 15 years of our

policy toward Berlin is a triumph, not a tragedy. For Berlin will cease to be a "trouble spot" only when it ceases to trouble the Communists by remaining free.

United States policy toward China and the Far East has been much criticized and often misunderstood. The simple fact remains that that policy has stopped the aggression of Red China and provided a shield of firmness behind which the relatively defenseless new nations of the area could develop in freedom. Many of them have populations containing very large percentages of overseas Chinese. Nearly all of them are weak economically and militarily, compared with the colossus of mainland China. They dare frustrate the designs of Communist China on their own independence only because they trust our firmness in opposing any aggression or any accommodation with subversion.

Had the United States during the past decade indicated hesitation by even considering a deal with Red China, as has been the persistent objective of Communist strategy and tactics, the handwriting on the wall would have become very clear indeed to those who live in its very shadow. I am convinced that, had this happened, the political map of Asia would be a vastly different one than it is today.

Let us be very sure, before we agree to any change in such policies just for the sake of change, that we are certain the results will be in the interests of the United States rather than of our enemies, who so unremittingly seek to make us change.

Such constancy of purpose will be possible only if we remain firm in our principles. It is not easy to follow the course of principle in foreign affairs. Indeed, in the infinitely complex decisions which arise from day to day, it is often next to impossible even to identify what is "right" and what is "wrong."

Morality, however, is not like bad-tasting medicine. There is not necessarily a difference between our own interests and the dictates of conscience. On the contrary, one of our distinguished statesmen has concluded that "in doing 'good' we learn we can also do very well; and in seeking to do well, we find we do much good."

This is a simple and lucid way of saying that in a world where survival and success are dependent as much upon the rightness of what we fight for as whether we win, no policy will serve the United States which does not also serve the cause of a just peace in freedom for all men everywhere.

U.S. Lifts Restrictions on Travel to Hungary

Press release 230 dated April 29

The Department of State announced on April 29 that effective immediately the restrictions hitherto applicable to U.S. passports for travel to and in Hungary will no longer be in force.

The restrictive endorsement regarding Hungary, which now appears in all U.S. passports, will be canceled at such time as the passport is renewed or upon specific request. Such requests, accompanied by the passport, should be directed to the Passport Office, Washington, D.C., or to the Passport Agency located at Boston, New York, Miami, Chicago, New Orleans, Seattle, San Francisco, or Los Angeles; the Passport Representative at Honolulu; or the Chief Executive Officers of the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa. Persons abroad should direct requests to the nearest U.S. consular office.

U.S. Deplores Harsh Repression of East German Farmers

Statement by Lincoln White
Director, Office of News [1]

As you may know from press reports out of Bonn, the Federal Republic [of Germany] issued a white book earlier this week on the forced collectivization of agriculture in East Germany, pointing up that this has been stepped up within the last 2 months with very repressive measures to bring this about.

Now today the Federal Republic formally sent a copy to our Embassy in Bonn, with a covering statement which points out the serious effect this has had upon the farm population in East Germany. This, incidentally, was formally presented

[1] Made to news correspondents on Apr. 29.

to all other missions at Bonn, including the Soviet Union.

Now, although we have not yet received the white book here in the Department, we have had a number of questions on this, based on the brief stories out of Bonn; and we have been following with deep concern the ruthless coercion which has been exerted on East German farmers in recent weeks and which now apparently is to be directed against artisans, traders, and small entrepreneurs. Our reports indicate that the Soviet puppet regime in East Germany has employed brutal methods to rob the independent farmers of their property and the fruits of their labor. These methods have ranged from massive pressure campaigns to naked force and have been so harsh and heartless as to drive many of these people to flight from their homes, physical and mental breakdowns, even in some cases to the taking of their own lives in hopeless desperation.

We have the deepest sympathy for the people of East Germany and join with the free Germans in the Federal Republic in expressing sorrow and indignation over this suppression of basic human rights. We strongly condemn this program of compulsion which highlights once again the denial to the Germans living in the Soviet Zone of the basic right of self-determination and the completely unrepresentative character of the East German regime.

U.S. and Iran Exchange Messages on Earthquake at Lar

White House press release dated April 26

The White House on April 26 made public the following exchange of messages between President Eisenhower and Mohammad Reza Pahlavi, Shah of Iran.

President Eisenhower to the Shah

April 25, 1960

Your Imperial Majesty: I was deeply shocked to hear of the terrible tragedy that has befallen the people of Lar and the surrounding villages. I extend on behalf of the American people our profound sympathy to the victims of this unfortunate catastrophe.

Sincerely,

Dwight D. Eisenhower

The Shah to President Eisenhower

April 26, 1960

Deeply touched by your kind message of sympathy for the victims of the Lar earthquake. I hasten to express sincere thanks for the generous help which your Government is extending to us in this disaster.

Mohammad Reza Pahlavi

U.S. Acts To Improve Relations With Panama in Canal Zone

White House (Augusta, Ga.) press release dated April 19

The President on April 19 approved a nine-point program for improvement of relations between the United States and Panama in reference to operations in the Canal Zone. The program calls for substantial employee benefits including pay increases and improved housing for Panamanian employees, the expansion of the apprentice program to train more Panamanians in skilled trades, and support of legislation to increase the pensions of disabled former employees.

The program also calls for the installation of a new water main to serve the city of Panamá and a reduction in the rate charged for water sold to the Government of Panama for distribution within that country. The President has also directed that jobs in the Canal Zone be continuously reviewed with a view to employing the maximum number of Panamanians.

Nearly all of the items in the program will be made effective immediately.

The complete program includes the following points:

1. A 10 percent increase in the wage-rate schedules of unskilled and semiskilled employees.

2. The Panama Canal Company's apprentice program will be expanded to afford an opportunity to 25 Panamanians each year to begin 3- and 4-year courses leading to qualification as skilled workmen in various trades. This is a marked expansion of opportunity for Panamanians to learn those skills that are useful both in the Canal Zone and in the Republic of Panama. This program, in implementation of assurances given in the treaty, will provide to Panamanians upon graduation access to more positions, the pay rates of which are based on those in the United States.

3. Substandard housing occupied by Panamanian employees in the Canal Zone will be re

placed by modern construction. Construction of approximately 500 units of modern rental housing s planned. Construction of the first houses in he program will be commenced immediately.

4. The Panama Canal Company will also pursue course of action leading to the construction of 00 houses in Panama for sale to Panamanians mployed in the Canal Zone but living in Panama.

5. The Panama Canal Company will proceed vith the construction of a new water main at a ost of $750,000 to supply the rapidly expanding uburbs of the city of Panamá.

6. The Panama Canal Company will also subtantially reduce the rate at which water is sold o the Government of Panama for distribution in he cities of Panamá and Colón.

7. The Panama Canal Company and Canal Zone Government will support legislation now pending n Congress to increase the gratuity paid to emloyees who previously were not within the Civil Service retirement system and who were terminated because of physical disability.

8. Teachers in the Latin American schools in the Canal Zone will receive a 10 percent pay increase.

9. All agencies in the Canal Zone have been directed by the President to review the list of jobs reserved for citizens of the United States with a iew to placing more Panamanians in skilled and upervisory positions.

Chilean Student Leaders Visit United States

The Department of State announced on April 3 (press release 216) that a group of seven university student leaders from Chile was arriving n Washington on that day to begin a 40-day visit o the United States. The students are accomanied by Sidney L. Hemolsky, the director of the hilean-American Binational Center at Santiago. he group is traveling under the auspices of the ultural exchange program of the Department of tate.

The leader of the group is Patricio Fernández, he president of the Chilean Federation of Stuents. Mr. Fernández wrote a letter to President isenhower last February in behalf of the Federion, criticizing U.S. policy in Latin America. he President, who was visiting Chile at the time, cknowledged the letter publicly, and a reply was sent to the students on April 8, 1960, by American Ambassador Walter Howe.[1] Ambassador Howe invited the leaders of seven Chilean university federations to visit the United States at the time of his reply.

The visit is designed to give the students an opportunity to acquire firsthand knowledge of the people and institutions of the United States and to promote exchanges of views between the visitors and North American students. The visitors will travel to university and college campuses throughout the United States and will have a chance to visit large and small communities.

Their itinerary includes Philadelphia, Pa.; San Francisco and Stanford, Calif.; Albuquerque, N. Mex.; Paris, Ill.; Pittsburgh, Pa.; a return visit to Washington, D.C., May 21–27; New York City; and San Juan, P.R., June 2–15.

The names of the visiting students follow:

Patricio Fernández, president of the Chilean Federation of Students; engineering student at the University of Chile

Fernando Munita, president of the Student Federation of the Catholic University of Santiago; student of agriculture

Daslav Ursic Vesalovic, president of the Student Federation of the State Technical University; chemistry student

Horacio Pávez, president of the Student Federation of the Santa María Technical University of Valparaíso; student of civil construction

Osvaldo Martínez, president of the Student Federation of the Austral University of Valdivia; student of forestry engineering

Alejandro Foxley, president of the Student Federation of the Catholic University of Valparaíso; student of chemical engineering

Bernardino Sanhueza, Christian Democratic delegate to the Student Federation of the University of Concepción

President Sends Greetings on Venezuela Sesquicentennial

White House press release dated April 23

Following is a message sent by President Eisenhower to President Rómulo Betancourt of Venezuela.

April 18, 1960

Dear Mr. President: It gives me great pleasure to convey to Your Excellency and to the people of Venezuela warm greetings and hearty congrat-

[1] For texts of the Chilean students' letter and the U.S. reply, see Bulletin of Apr. 25, 1960, p. 648.

ulations from the people of the United States and from myself on the occasion of the commemoration of the sesqui-centennial of the independence of the Republic of Venezuela. I am confident that the social, political, and economic progress of Venezuela and its people will continue in the years ahead.

Sincerely,

DWIGHT D. EISENHOWER

President Congratulates Brazil on Inauguration of New Capital

White House (Augusta, Ga.) press release dated April 21

The White House on April 21 made public the following message from President Eisenhower to President Juscelino Kubitschek of Brazil on the occasion of the inauguration of the new capital of Brasília.

APRIL 20, 1960

DEAR MR. PRESIDENT: You will recall how greatly I was impressed during our meeting at Brasília last February[1] with the extraordinary accomplishment of the Government and the people of Brazil in building this inspiring new capital. On this joyful occasion of the inauguration of your great city of the future, I wish to renew my congratulations to Your Excellency on your vision and achievement and on the splendid pioneering spirit of Brazil.

With warm regard,

Sincerely,

DWIGHT D. EISENHOWER

Mr. Terman Appointed Member of Board of Foreign Scholarships

The White House announced on March 23 that the President had on that date appointed Frederick Emmons Terman to be a member of the Board of Foreign Scholarships for a term expiring September 22, 1962, vice Charles S. Benson, term expired.

[1] President Eisenhower made a 2-week trip to South America Feb. 22–Mar. 7, 1960, during which he visited Brazil, Argentina, Chile, and Uruguay; for background, see BULLETIN of Mar. 28, 1960, p. 471.

Congressional Documents Relating to Foreign Policy

86th Congress 2d Session

Enabling the United States To Participate in the Resettlement of Certain Refugees. Report to accompany H.J. Res. 397. H. Rept. 1433. March 29, 1960. 14 pp.

National Policy Machinery in the Soviet Union. Report of the Senate Committee on Government Operations made by its Subcommittee on National Policy Machinery. S. Rept. 1204. March 29, 1960. 70 pp.

United States Foreign Policy: Economic, Social, and Political Change in the Underdeveloped Countries and Its Implications for United States Policy. A study prepared at the request of the Senate Foreign Relations Committee by the Center for International Studies, Massachusetts Institute of Technology. No. 12. March 30, 1960. 98 pp. [Committee print]

Conventions and Recommendation Adopted by the International Labor Conference at its Forty-third Sessior at Geneva. Letter of transmittal, together with text of the conventions and recommendation. H. Doc. 365 March 30, 1960. 24 pp.

Extension of Suspension of Duty on Imports of Casein Hearing before the Senate Finance Committee. March 31, 1960. 121 pp.

Study Mission in the Caribbean and Northern Soutl America, November 1959. Report by Senator Home E. Capehart to the Senate Foreign Relations Commit tee. April 1, 1960. 45 pp. [Committee print]

Fifteenth Report of the U.S. Advisory Commission of In formation. Letter of transmittal, together with text o report. H. Doc. 369. April 4, 1960. 43 pp.

Temporary Suspension of Tax on First Domestic Process ing of Coconut and Palm Oil. Report to accompan H.R. 8649. S. Rept. 1233. April 5, 1960. 6 pp.

Temporary Free Importation of Certain Tanning Ex tracts. Report to accompany H.R. 9820. S. Rept. 1234 April 5, 1960. 6 pp.

Temporary Suspension of Duty on Certain Alumina an Bauxite. Report to accompany H.R. 9307. S. Rept 1235. April 5, 1960. 8 pp.

Treaty of Friendship and Commerce Between the Unite States of America and Pakistan. Message from th President, together with text of the treaty and protoco S. Ex. F. April 6, 1960. 15 pp.

Convention of Establishment Between the United State of America and France. Message from the Presiden and text of the convention, together with a protocol an a joint declaration. S. Ex. G. April 6, 1960. 14 p

Mutual Security Act of 1960. Report of the Hous Foreign Affairs Committee on H.R. 11510, to amen further the Mutual Security Act of 1954, as amende and for other purposes. H. Rept. 1464. April 7, 196 172 pp.

Foreign Commerce Study: Latin America—Panam Colombia, Ecuador, Peru, Chile, Argentina, Brazi Venezuela, Dominican Republic, and Haiti. Report Senator George A. Smathers on a study mission to th Senate Interstate and Foreign Commerce Committe April 7, 1960. 55 pp. [Committee print]

Departments of State and Justice, the Judiciary, an Related Agencies Appropriation Bill, Fiscal Year 196 Report to accompany H.R. 11666. H. Rept. 1467. Apr 8, 1960. 29 pp.

Temporary Suspension of Duty on Certain Istle or Tan pico Fiber. Report to accompany H.R. 9861. S. Rep 1269. April 14, 1960. 2pp.

Temporary Suspension of Duty on Certain Istle or Tan pico Fiber. Report to accompany H.R. 9861. S. Rep 1269. April 14, 1960. 2 pp.

Suspension of Import Duties on Certain Shoe Lathes an Casein. Report to accompany H.R. 9862. S. Rep 1270. April 14, 1960. 7 pp.

Central Treaty Organization Holds Eighth Ministerial Meeting

The eighth session of the Ministerial Council of the Central Treaty Organization was held at Tehran April 28–30. Following are texts of remarks made by Secretary Herter at the opening session on April 28 and the final communique, together with a statement made by Secretary Herter on April 26 upon his departure from Washington and a list of the U.S. observer delegation.

REMARKS BY SECRETARY HERTER

Press release 221 dated April 28

First of all, I wish to associate myself with the remarks of my colleagues concerning the gracious welcome extended by His Majesty the Shah. We also are deeply distressed at the suffering and destruction caused by the earthquake at Lar.

On behalf of the United States observer delegation, I thank you for your warm welcome to Tehran. The gracious hospitality of the Government and people of Iran is proverbial, and once again we are its fortunate beneficiaries. We deeply appreciate the many courtesies and kind consideration shown us by our host, the Government of Iran, and the arrangements which have been made to receive this eighth gathering of the CENTO Ministerial Council. I am personally gratified at this opportunity to continue my association with CENTO and to renew valued friendships with the distinguished delegates assembled here today.

Since we last met in Washington,[1] President Eisenhower has visited Iran, Pakistan, and Turkey.[2] He has charged me with conveying to you his deep appreciation of the warm welcome and hospitality extended during his visits.

I have received a message from the President which he has asked me to read to the Council:

To the distinguished delegations assembled in Tehran for the eighth session of the CENTO Ministerial Council, I send my warm regard and that of the people of the United States. I have many happy recollections of my visits to Iran, Pakistan, and Turkey.

You may be assured that the American people will follow your forthcoming deliberations with keen interest. We are confident that they will prove fruitful and will add to CENTO's success. I look forward to receiving directly from Secretary of State Herter an account of the CENTO Ministerial Council session upon his return.

DWIGHT D. EISENHOWER

These are days of meetings among friends and allies. The cement of our free-world alliances is mixed in these meetings.

Two weeks ago in Washington I met with the Foreign Ministers of the U.K., France, Germany, Italy, and Canada to concert our views about the coming meeting with the Soviet Premier.[3]

Last week General de Gaulle came to Washington to review world questions with President Eisenhower and concert further our summit preparations.[4]

Now we meet in Tehran to carry on the important business of this alliance—important "come what may" at the 1960 summit. For free-world ties will be needed to bind us in future years even if, as we dare hope, the struggle for freedom may assume a less dangerous form.

Next we go to Istanbul for further talks with our NATO allies at the foreign-minister level.

At the end of next month, in Washington, SEATO [Southeast Asia Treaty Organization] meets—another grouping of free nations cooperating to keep the peace.

I find in this concentration of meetings of these collective security organizations a symbolism of the indivisibility of freedom and the free world, a reminder of the need for all of us to cooperate

[1] BULLETIN of Oct. 26, 1959, p. 581.

[2] For background, see *ibid.*, Dec. 28, 1959, p. 931, and Jan. 11, 1960, p. 46.

[3] *Ibid.*, May 2, 1960, p. 683.

[4] See p. 771.

in the making of a world—just, free, peaceful, and prosperous.

We meet today on the eve of the forthcoming summit conference. My Government's willingness to meet with the Soviet leaders at the high level of Chief of State is promoted by its unswerving quest for peace. President Eisenhower has said that he would go anywhere, any time, to further the cause of peace. But to be meaningful, peace must have justice and human dignity as its cornerstones. Only then can mankind devote its creative talents to those constructive pursuits which will benefit all humanity.

Thus, the continued progress of CENTO is of great significance. There is no question of my Government's strong support of CENTO. It will continue—in the interests of the peoples of CENTO and in the interests of world peace.

All of us here today should be deeply conscious of the useful work that CENTO has undertaken. We are confident that the future, through common effort, will add to CENTO's accomplishments. My Government is gratified at the part it has been able to play, in cooperation with its friends, in these accomplishments. I know you will allow us to take a measure of pride in the contributions that U.S. programs of economic, military, and technical assistance, both bilaterally and multilaterally, have been able to make in moving toward our common objectives.

Today CENTO is a strong organization. Its goals are peace and progress. Working together and ably assisted through a competent secretariat and a very able Secretary General, the nations here assembled will continue to stride forward. I am confident that CENTO's next 5 years, like its last 5 years, will bring a further significant increase in its security and strength. The future belongs to the free and the brave.

FINAL COMMUNIQUE

The Eighth Session of the Ministerial Council of the Central Treaty Organization was held in Tehran from April 28 to 30, 1960. The delegations from countries participating in this meeting were led by:

(i)	H.E. Dr. Manouchehr Eghbal	Prime Minister of Iran
(ii)	H.E. Mr. Manzur Qadir	Minister for Foreign Affairs and Commonwealth Relations, Pakistan
(iii)	H.E. Mr. Fatin Rustu Zorlu	Foreign Minister of Turkey
(iv)	The Right Honourable Selwyn Lloyd, C.B.E., T.D., Q.C., M.P.	Secretary of State for Foreign Affairs, United Kingdom
(v)	The Honourable Christian A. Herter	Secretary of State, United States of America

The Prime Minister of Iran, as host, was in the chair.

A gracious message from His Imperial Majesty the Shahanshah of Iran was read by the Minister of the Imperial Court declaring the Session open.

The Council noted the recent and forthcoming top-level contacts with the Government of the Soviet Union and had a valuable exchange of views on the purposes and prospects of the Summit Conference. Mr. Herter and Mr. Selwyn Lloyd gave an account of the work being done in preparation for this Conference and an account of the work of the Conferences on the Suspension of Nuclear Tests and on Disarmament. The Council noted these reports with approval and expressed support for the efforts being made to secure the easing of tension.

The Council expressed the hope that the Nuclear Tests Conference would reach a solution providing for the suspension of these tests under adequate international control, and that the Disarmament Conference would also make real progress.

Mr. Lloyd and Mr. Herter made it clear that all these discussions with the Government of the Soviet Union would be conducted by the Western Powers with full regard for the interests of their allies in CENTO and the other regional organizations and within the general framework of the security of the free world. The member countries will be kept informed of such discussions.

The Council agreed that the efforts to ease tension should be genuine and should be expressed not only in words but demonstrated also in deeds. The Council reaffirmed their belief that the free countries of the world must maintain their strength and solidarity, as expressed particularly in the regional organizations to which they belonged. The need for this was clear. For instance hostile propaganda campaigns were directed from outside the area against particular countries and this was inconsistent with the declared purpose of a *détente*. The Council reaffirmed the admiration expressed in their declaration at the Council Meeting in October 1959 in Washington for the spirit in which the Iranian Nation has shown its resistance to subversive and hostile propaganda.

Participating states reaffirmed their intention to maintain friendly relations with all neighbouring states based on mutual interest and respect. They believe that all questions at issue between them and their neighbours can best be solved by discussion as between equals. It is a matter of deep concern to them that such questions are sometimes used by outside powers as a means of interfering in the internal affairs of other countries and increasing international tension and subversion, as for example by the recent Soviet statement on "Pakhtoonistan".

The Council approved and noted with satisfaction the report of the Secretary General.

After adopting the economic report and the annual economic review, the Council emphasized the desirability of proceeding as rapidly as possible with the execution of approved joint projects, especially those in the field of communications and public works and others contributing to the raising of the standard of living in the regional countries of CENTO. The growth of technical cooperation between participating states was noted with satisfaction. Under the auspices of the Economic Committee new areas of technical advance are now being explored and help is being given to the regional countries in surveying and developing their natural resources.

The Council noted from the report of the Military Committee that the Permanent Military Deputies Group have done much useful work in a short time with regard to the problem of the command structure and that their studies on this subject are continuing. Much other valuable work is also being done in coordinating the defensive efforts of the participating countries.

The Council decided to hold their next Session in Ankara beginning February 1, 1961.

MR. HERTER'S DEPARTURE STATEMENT

Press release 214 dated April 25

My journey first takes me to Tehran to attend the meeting of the Council of the Central Treaty Organization. Immediately thereafter, the Foreign Ministers of the NATO countries will gather in Istanbul for the regular spring ministerial meeting of the North Atlantic Council. A stop in Athens will precede my return to Washington.

My visit to Iran is a welcome opportunity to renew friendships with the leaders of a country bound by traditional and close ties to the United States. I look forward to meeting with our associates in CENTO. We in the United States attach the greatest importance to the Central Treaty Organization. We strongly support CENTO's steadfast efforts to strengthen the principle of collective security in that vital area of the world and to promote the economic well-being of their peoples.

My visit to Turkey, a stanch friend of the United States and stalwart member of both CENTO and NATO, is also most welcome to me. At the ministerial meeting of the NATO Council we shall, in addition to other subjects, discuss preparations for the meeting of Heads of Government in Paris on May 16.

I much appreciate the invitation of the Greek Government to visit Athens and the courtesy shown by the King and Queen of the Hellenes in agreeing to receive me. Prime Minister Karamanlis will also see me for a discussion of subjects of interest to Greece and the United States.

This trip will take me to three of our oldest friends. It is my hope that it will serve to strengthen further the ties which for so many years have bound us in close and intimate friendship.

U.S. OBSERVER DELEGATION

The Department of State announced on April 22 (press release 206) the composition of the U.S. observer delegation to the eighth Ministerial Council meeting of the Central Treaty Organization (CENTO), held at Tehran April 28–30, 1960.

Secretary Herter headed the delegation as U.S. Observer. Assisting him as Alternate Observers were Livingston T. Merchant, Under Secretary of State for Political Affairs, and Fletcher Warren, Ambassador to Turkey and U.S. Observer in the Council Deputies.

The senior advisers on the delegation included:

Theodore C. Achilles, Counselor of the Department of State

Andrew H. Berding, Assistant Secretary of State for Public Affairs

John N. Irwin II, Assistant Secretary of Defense for International Security Affairs

G. Lewis Jones, Assistant Secretary of State for Near Eastern and South Asian Affairs

Harold Kehm, Department of State

Foy D. Kohler, Assistant Secretary of State for European Affairs

Lt. Gen. Elmer J. Rogers, USAF, U.S. Representative, Permanent Military Deputies Group, Ankara

Gerard C. Smith, Assistant Secretary of State for Policy Planning

Edward T. Wailes, Ambassador to Iran

Gen. Thomas D. White, USAF, Chief of Staff, U.S. Air Force

Current U.N. Documents: A Selected Bibliography[1]

Economic and Social Council

Economic Commission for Latin America. Resolutions of the General Assembly on Educational Conditions in Non-Self-Governing Territories. E/CN.12/AC.45/10/Add. 1. March 18, 1960. 5 pp.

[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

Statistical Commission. Review of International Statistics. Report by the Secretary-General. E/CN.3/263. March 21, 1960. 78 pp.

Opportunities for International Co-operation on Behalf of Former Trust Territories and Other Newly Independent States. Note by the Secretary-General. E/3338. March 23, 1960. 6 pp.

International Co-operation on Cartography. Report by the Secretary-General. E/3339. March 25, 1960. 11 pp.

Commission on the Status of Women. Draft Report to the Economic and Social Council on the Fourteenth Session of the Commission on the Status of Women Held in Buenos Aires, Argentina From 28 March to –April 1960. E/CN.6/366. April 4, 1960. 21 pp.

General Review of the Development and Co-ordination of the Economic, Social and Human Rights Programmes and Activities of the United Nations and the Specialized Agencies as a Whole:

Appraisal of the Programme of the World Meteorological Organization, 1959–1964. E/3345. April 3, 1960. 18 pp.

Appraisal of the Programme of the International Labour Organization, 1959–1964. E/3341. April 7, 1960. 38 pp.

Appraisal of the Programmes of the Food and Agriculture Organization of the United Nations, 1959–1964. E/3342. April 7, 1960. 84 pp.

Appraisal of the Programme of the World Health Organization, 1959–1964. E/3344. April 7, 1960. 150 pp.

Appraisal of the Programme of the International Atomic Energy Agency, 1959–1964. E/3346. April 7, 1960. 64 pp.

United Nations Children's Fund: Report of the Executive Board. E/3336. April 6, 1960. 102 pp.

TREATY INFORMATION

U.S. Opens Separate Air Talks With Three Nations

Philippines

Press release 217 dated April 27

U.S. and Philippine aviation delegations opened negotiations at Washington on April 26 to conclude a new air transport agreement. The former agreement [1] terminated on March 3, 1960.

Assistant Secretary Thomas C. Mann welcomed the Philippine delegation on behalf of the Secretary of State and expressed his hope that these negotiations would lead to a new agreement of mutual benefit to both countries. In reply Ambassador Carlos P. Romulo, chairman of the Philippine delegation, also affirmed his belief that a satisfactory understanding could be reached in an atmosphere of mutual good will.

United Kingdom

Press release 222 dated April 28

The civil aviation discussions between the United States and the United Kingdom which were recessed in Barbados on February 24 [2] resumed at Washington on April 27. During the period since the recess of the Barbados talks, both Governments have been reviewing the progress made at Barbados.

The U.K. delegation is headed by Mrs. Alison Munro, Under Secretary, Ministry of Aviation, and includes representatives of The West Indies headed by W. Andrew Rose, Minister of Communications and Works. The U.S. delegation is headed by Laurence C. Vass, Director, Office of Transport and Communications, Department of State. Chan Gurney, Vice Chairman, Civil Aeronautics Board, will serve as vice chairman of the U.S. delegation.

Mexico

Press release 223 dated April 28

Delegations of the United States and Mexico met at Washington on April 26 to resume discussions regarding the provisional air transport agreement [3] that currently governs commercial aviation relations between the two countries. The civil aviation negotiations which took place in the spring of 1959 ended in an agreement to extend the validity of the provisional arrangement until June 30, 1960, and to resume discussions before the date of expiration.

The Mexican delegation is headed by Alberto Acuna Ongay, Director of Civil Aeronautics. The other members are Juan Gallardo, Minister Plenipotentiary of the Mexican Embassy, Washington, D.C., Antonio Francoz Rigalt, Deputy Director of Civil Aeronautics, and José Luis Laris, First Secretary of Embassy, Mexican Embassy, Washington, D.C. Edward A. Bolster, Deputy Director of the Office of Transport and Communications, Department of State, is the chairman of the U.S. delegation, which includes Alan Boyd,

[1] Treaties and Other International Acts Series 1577 and 1844.

[2] BULLETIN of Apr. 4, 1960, p. 528.

[3] TIAS 3776 and 4099.

Member, Civil Aeronautics Board, Richard J. O'Melia and Dorothy Thomas of the Civil Aeronautics Board, Francis E. Holladay, Program Coordinator (Air), Department of Commerce, and James J. Ferretti, Gerald W. Russell, and Elizabeth Simmons of the Department of State.

Current Actions

MULTILATERAL

Cultural Relations

Agreement on the importation of educational, scientific, and cultural materials, and protocol. Done at Lake Success November 22, 1950. Entered into force May 21, 1952.[1]

Notification by United Kingdom of extension to: Bahamas, March 14, 1960.

Law of the Sea

Optional protocol of signature concerning the compulsory settlement of disputes. Done at Geneva April 29, 1958.[2]

Ratification deposited: Haiti, March 29, 1960.

Shipping

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044.

Acceptances deposited: Turkey (with reservation), March 25, 1958; India (with declaration), January 6, 1959; Poland (with declaration), March 16, 1960.

Sugar

International sugar agreement of 1958. Done at London December 1, 1958. Entered into force January 1, 1959; for the United States October 9, 1959. TIAS 4389.

Ratifications deposited: Belgium, March 30, 1960; Haiti, April 6, 1960.

Notification by United Kingdom of extension to: Kenya, Tanganyika, and Uganda, March 21, 1960.

Telecommunications

North American regional broadcasting agreement and final protocol. Signed at Washington November 15, 1950. Entered into force April 19, 1960.

Proclaimed by the President: April 19, 1960.

Trade and Commerce

Sixth protocol of rectifications and modifications to texts of the schedules to the General Agreement on Tariffs and Trade. Done at Geneva April 11, 1957.[2]

Signature: Federal Republic of Germany, March 3, 1960.

Declaration confirming signature deposited: Ghana, March 28, 1960.

Declaration extending standstill provisions of article XVI: 4 of the General Agreement on Tariffs and Trade. Done at Geneva November 30, 1957. Entered into force May 11, 1959. TIAS 4345.

Declaration confirming signature deposited: Ghana, March 28, 1960.

Seventh protocol of rectifications and modifications to texts of the schedules to the General Agreement on Tariffs and Trade. Done at Geneva November 30, 1957.[2]

Declaration confirming signature deposited: Ghana, March 28, 1960.

Procès-verbal extending the validity of the declaration extending the standstill provisions of article XVI: 4 of the General Agreement on Tariffs and Trade. Done at Geneva November 22, 1958. Entered into force May 11, 1959. TIAS 4345.

Declaration confirming signature deposited: Ghana, March 28, 1960.

Protocol relating to negotiations for the establishment of new schedule III—Brazil—to the General Agreement on Tariffs and Trade. Done at Geneva December 31, 1958.[2]

Declaration confirming signature deposited: Ghana, March 28, 1960.

Declaration on the provisional accession of Israel to the General Agreement on Tariffs and Trade. Done at Geneva May 29, 1959. Entered into force October 9, 1959; for the United States December 19, 1959. TIAS 4384.

Signature (subject to ratification): Brazil, March 15, 1960.

BILATERAL

Denmark

Agreement relating to a weapons production program. Effected by exchange of notes at Copenhagen April 12, 1960. Entered into force April 12, 1960.

Iceland

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U.S.C. 1701–1709), with memorandum of understanding. Signed at Reykjavik April 6, 1960. Entered into force April 6, 1960.

Mexico

Agreement providing for establishment and operation of a tracking and communications facility in the vicinity of Guaymas, Sonora (Project Mercury). Effected by exchange of notes at México April 12, 1960. Entered into force April 12, 1960.

Pakistan

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U.S.C. 1701–1709), with exchange of notes. Signed at Karachi April 11, 1960. Entered into force April 11, 1960.

Agreement supplementing the agricultural commodities agreement of November 26, 1958, as supplemented and amended (TIAS 4137, 4257, 4331, 4353, and 4426), with exchange of notes. Signed at Karachi April 11, 1960. Entered into force April 11, 1960.

Uruguay

General agreement for a program of technical cooperation in Uruguay. Signed at Montevideo March 23, 1956. *Entered into force:* March 22, 1960.

Agreement relating to technical cooperation. Effected by exchange of notes at Montevideo March 14, 1951. Entered into force March 14, 1951, for those provisions not requiring legislative approval.

Terminated: March 22, 1960 (superseded by agreement of March 23, 1956, *supra*).

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[1] Not in force for the United States.
[2] Not in force.

DEPARTMENT AND FOREIGN SERVICE

Post at Lomé Elevated to Embassy

The Department of State announced on April 27 (press release 219) that the American consulate at Lomé, Togo, was on that date elevated to an Embassy upon the formal attainment of independence by the former U.N. trust territory under French administration. Togo obtained its independence following agreement between the Government of Togo, under Prime Minister Sylvanus Olympio, and the French Government, and pursuant to U.N. General Assembly Resolution 1416(XIV) of December 18, 1959.

The United States first opened a consulate at Lomé in May 1959. Jesse M. MacKnight has been named Chargé d'Affaires.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Americans on a New Frontier—U.S. Technicians Lend a Hand Abroad. Pub. 6921. Economic Cooperation Series 55. 29 pp. 15¢.

This pamphlet describes the activities of a representative few of these Americans in the less developed areas of the world.

Mutual Security in Action—Cambodia. Pub. 6931. Far Eastern Series 85. 12 pp. 10¢.

A fact sheet giving background information on the country and discussing its economy, problems, and the extent of U.S. assistance.

Summary of East-West Trade in 1958—Mutual Defense Assistance Control Act of 1951, Thirteenth Report to Congress. Pub. 6932. General Foreign Policy Series 147. 51 pp. 25¢.

A report submitted by Under Secretary of State Douglas Dillon to Congress for the year 1958.

Mutual Security in Action—Ceylon. Pub. 6936. Near and Middle Eastern Series 47. 12 pp. 10¢.

A fact sheet discussing the country, government, economy, and the role of U.S. technical assistance.

Working With People—Examples of U.S. Technical Cooperation. Pub. 6942. Economic Cooperation Series 56. 31 pp. 15¢.

This booklet describes a number of the projects contributing to the economic growth of newly developing countries, creating firmer bonds of friendship between their peoples and ours.

Mutual Security in Action—Brazil. Pub. 6951. Inter-American Series 57. 16 pp. 10¢.

A fact sheet discussing the country, government, economy, and problems of Brazil, and the extent of U.S. assistance programs.

The Kingdom of Nepal. Pub. 6953. Near and Middle Eastern Series 48. 13 pp. 15¢.

An illustrated pamphlet reprinted from the *Background* publication entitled "The Subcontinent of South Asia."

Military Mission to Venezuela. TIAS 4381. 3 pp. 5¢.

Agreement between the United States of America and Venezuela, amending agreement of August 10, 1951, as extended. Exchange of notes—Signed at Caracas March 31 and April 29, 1959. Entered into force April 29, 1959.

American Military Cemeteries. TIAS 4383. 11 pp. 10¢.

Agreement between the United States of America and Belgium. Signed at Brussels November 27, 1959. Entered into force November 27, 1959. With note signed at Brussels December 24, 1959.

Check List of Department of State Press Releases: April 25–May 1

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases issued prior to April 25 which appear in this issue of the BULLETIN are Nos. 203 and 204 of April 20, 206 and 211 of April 22, and 209 of April 23.

No.	Date	Subject
†208	4/25	Trade liberalization.
†212	4/25	Delegation to NATO ministerial meeting (rewrite).
213	4/25	Herter: remarks at luncheon for President de Gaulle.
214	4/25	Herter: departure for CENTO and NATO meetings and visit to Greece.
†215	4/26	Adair: "Reduction of Foreign Import Restrictions."
216	4/26	Chilean student leaders visit U.S. (rewrite).
217	4/27	Air negotiations with the Philippines.
†218	4/27	Exchange of notes with Iran.
219	4/27	Togo consulate raised to embassy.
220	4/27	Herter: message to New York-Tokyo affiliation ceremony.
221	4/28	Herter: opening statement, CENTO meeting.
222	4/28	Air negotiations with U.K.
223	4/28	Air negotiations with Mexico.
*224	4/28	Cultural exchange (Yugoslavia).
*225	4/28	Amendments to program for visit of King and Queen of Nepal.
†226	4/28	Wilcox: "Disarmament: The Problem and the Prospects."
†227	4/29	Wilcox: "World Populations and Economic Development."
*228	4/29	Cultural exchange (Argentina).
†229	4/29	Delegation to World Health Assembly (rewrite).
230	4/29	Lifting of travel restrictions to Hungary.
†231	4/30	Herter: arrival statement, Istanbul.

* Not printed.
† Held for a later issue of the BULLETIN.

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TREATIES IN FORCE . . .

January 1, 1960

This publication is a guide to treaties and other international agreements in force between the United States and other countries at the beginning of the current year.

The list includes bilateral treaties and other agreements, arranged by country or other political entity, and multilateral treaties and other agreements, arranged by subject with names of countries which have become parties. Date of signature, date of entry into force for the United States, and citations to texts are furnished for each agreement.

Documents affecting international copyright relations of the United States are listed in the appendix.

Information on current treaty actions, supplementing the information contained in *Treaties in Force*, is published weekly in the *Department of State Bulletin.*

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THE DEPARTMENT OF STATE

Bulletin

VOL. XLII, No. 1091 • PUBLICATION 6999

May 23, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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Mutual Security, Its Principle and Programs

Address by President Eisenhower[1]

Before I convey to you the thoughts that I have put down on paper for this purpose this evening, I want to give a word of explanation about my understanding about this meeting.

The invitation that I received requested that I add my voice to those who support the Mutual Security Program of the United States and cooperation among the free nations of the world. There was not a word said about any function honoring me, and I heard no such talk from either the cochairman or any of my staff. So I want to take this moment to thank my friends from so many countries who have paid to me overgenerous and possibly undeserved compliments.

I want to say to them something that they already know—and I am sure you do—that the greetings that I received from so many places in Europe and Asia[2] were simply one thing: The effort of great peoples to tell the people of the United States of their respect for them, their admiration, and their affection. I was the messenger, and if I were a successful messenger in that office, in bringing that feeling from these countries to my own, then I am indeed happy and proud. In any event I thank you all for your compliments.

This gathering heartens every true believer in preparedness, freedom, and peace. That leaders from all across the land would assemble here—energetically to reaffirm support of mutual security—is good news indeed. This rededication could not come at a better time. For trends are developing—particularly in Washington—that are profoundly disturbing.

Support and Understanding of Program

Unless an alert citizenry takes effective action to support those in the Congress who champion the cause of mutual security, it could well result:

In jeopardizing an important part of the Nation's defense;

In endangering our worldwide alliance structure;

And in weakening efforts to resist Communist expansion and to forge a just peace.

Two months ago I requested the Congress to continue adequate support of our long-proven Mutual Security Program.[3] I asked an appropriation of $4.175 billion—a sum one-twentieth of our Federal budget and one-tenth of our defense budget. This amount is imperatively required. The Secretary of State, the Secretary of Defense, the Joint Chiefs of Staff all share this conviction.

One bright development is that, in the past few days, the committees of Congress legislatively concerned with our relations with other nations have reasserted the overriding importance of our Mutual Security Program to America's security and free-world progress. Only this evening I have been informed by Senators [J. W.] Fulbright

[1] Made before the Committee for International Economic Growth and the Committee To Strengthen the Frontiers of Freedom, at Washington, D.C., on May 2 (White House press release; as-delivered text).

[2] President Eisenhower made an 11-nation trip to Europe, the Middle East, South Asia, and Africa Dec. 3–22, 1959; for background, see BULLETIN of Jan. 11, 1960, p. 46.

[3] For text of the President's message to Congress, together with statements by Secretary Herter and Under Secretary Dillon, see *ibid.*, Mar. 7, 1960, p. 369.

and [Everett M.] Dirksen that the Senate this evening [May 2] acted constructively on this program in the authorizing legislation. The same has of course happened in the House.

But, at the same time, other groups strategically situated in Congress have proclaimed it as their fixed purpose to slash the appropriation for this mainstay of the free world by more than a billion dollars. They cite isolated instances of malfunctioning in operational staffs as an excuse to attack a great program, which for 14 years has been indispensable in protecting America's stake in security, in free-world cooperation, and in global peace. On such grounds and on the erroneous contention that our Mutual Security Program is ineffectual, they would reduce it by 25 percent or more.

Every American citizen needs to understand what this would mean.

It would be, for America and all the free world, a crushing defeat in today's struggle between communistic imperialism and a freedom founded in faith and justice.

It would mean, within a matter of months, new international tensions and new international problems of the utmost gravity for every one of our citizens.

It would mean the virtual abandonment of an effort which has yielded our Nation greater benefits in security, better neighbors, and opportunities for expansion of profitable trade than has been achieved by any comparable expenditures for any other Federal purpose.

An America aroused can prevent these calamitous results, for in this Republic government must respond to the will of the people.

Mutual security has never been, nor is it now, Republican or Democratic. Like our own defense program, of which it is an essential part, it is bipartisan to the core. This program was started 14 years ago by my Democratic predecessor. It was first enacted into law by the Republican 80th Congress. Both political parties, patriotically joined in the national interest, are its parents. And still today both parties are pledged to its support.

Here, specifically, are solemn promises made to the American people in the public document:

First, ". . . we strongly favor collective defense arrangements. . . ."

Second, "we believe that . . . America must support the efforts of underdeveloped countries. . . ."

Third, ". . . we will intensify our cooperation with our neighboring republics. . . ."

Here is another set of pledges:

First, "we shall continue to support the collective security system. . . ."

Second, "where needed, we shall help friendly countries maintain such local forces and economic strength as provide a first bulwark against Communist aggression or subversion."

Third, "we will continue efforts with friends and allies to assist the underdeveloped areas of the free world. . . ."

Now in their meaning, these two sets of pledges are identical. The first three are in the Democratic platform of 1956. The last three are in the Republican platform of the same year. These commitments still stand. America has the right to expect both parties to keep their word.

Achievements of Mutual Security

Indeed, even beyond the call of integrity, both parties have excellent reason to do so. For mutual security has effectively supported freedom everywhere on earth. It has made possible a greater and mutually advantageous trade. No other investment has yielded greater dividends in terms of stability, security, and free-world morale.

This is the program that helped to save Greece from Communist guerrillas. It helped to rescue Turkey from economic collapse, restoring this critical area as a bastion of freedom. It helped to maintain Western Europe as a center of free—rather than Communist—power and production. The importance of these victories is incalculable; every one of our citizens is today the stronger, the more prosperous, the more secure, thanks to mutual security.

In Asia, under SEATO [Southeast Asia Treaty Organization] and other security treaties, a million soldiers stand as a bulwark of liberty—sustained, again, by mutual security.

As I speak tonight, our economic and military help gives support to the military might of 42 other nations, which stand poised in freedom's cause. For this they—and we—give heartfelt thanks to mutual security.

On five continents our economic and technical programs help struggling millions better their

production and living standards. Only recently I looked into the faces of these many people. I have seen the desperate need of these people; I have felt their spirit. Most of all, I have witnessed their abiding faith in the greatness and goodness of America, and their love and respect for this land of the free. By helping to make their lives more meaningful and more rewarding, we have helped to keep bright their love of liberty and their determination to reject the soulless forces of Communist materialism.

Moreover, America's efforts to help others have evoked a heartening response from other advanced industrial nations. In recent years they have doubled their direct aid to the less developed countries. In addition, in the new International Development Association other countries will put up $3 for every $2 put up by the United States. The very moment when other countries are recognizing their responsibilities is no time for us to walk away from our own.

That such a program—its record shining with accomplishment and its continuance solemnly pledged by both of our political parties—should now face a crippling cutback seems incredibly irresponsible. To me it is almost inconceivable.

Let America speak, and this will not be done.

The Unfinished Task

Thus far I have mentioned past achievements. But a great deal more cries out for attention.

Half a world away from us, for example, a great democracy, dedicated to peace, struggles with almost insuperable problems to demonstrate that Asians do not have to sacrifice freedom as payment for economic advance.

To the south our sister Republics need help to unlock the storehouses of their great wealth.

In Africa a seething continent is trying to telescope a thousand years of development into a few decades.

Around the world almost 2 billion people are living in a ferment of privation, misery, resentment, and frustrated hope. They are imbued with an unshakable, even fanatical, determination to break through the spiritual and cultural stagnation imposed upon them by grinding poverty.

Mutual security has done much to help. The hope, confidence, and energetic effort so inspired are slowly making progress in creating conditions in which prosperity, security, and peace in freedom can flourish. But for lack of understanding the program has been steadily weakened while the need has grown more obvious and critical. Only the conscience and the down-to-earth commonsense of all Americans, informed and aroused, can meet the need.

Facing us is a test of our resolve to make our Government do the task it has to do to protect the safety of the American people. The amount I have asked the Congress to provide for mutual security is the minimum required to meet the basic necessities of sheer defense and to keep alight a glimmer of hope in hundreds of millions of people arrayed with us on the side of freedom.

America Needs the World

From all these facts we see that the free world needs America! Just as importantly, America needs the world.

This means far more to us than soldiers and tanks and ships and missiles, essential though these are. Important it is that our allies contribute 5 million soldiers, 30,000 airplanes, and 2,200 combatant ships to the common defense of freedom. But our involvement with our neighbors is far more basic than this.

Foreign trade is an example. It is, for America, a $30 billion a year business. To this trade 4½ million of our people owe their jobs with other nations.

For all of us there is great meaning in this: We export, on the average, a third of our cotton crop, just under a third of our wheat, and a fourth of our tractor production.

But this is only a part of our dependence on foreign trade. The health of our economy depends upon materials owned by others. Manganese, chrome, tin, natural rubber, nickel are examples. As our economy grows, we depend increasingly upon others for such materials. Eight years ago we imported only about a twentieth of our iron ore. Today we have to import over a third of it.

Yes, America needs the world!

And this we must never forget: These needs are more than military and economic. They are technical, cultural, and spiritual as well. Great ideas originating with other peoples have vastly enriched our land.

Fellow Americans, even if we wanted to, we could not shut out the free world. We cannot

escape its troubles. We cannot turn our backs on its hopes. We are an inseparable part of the free-world neighborhood.

We must hold to these truths:

If nations friendly to us are weakened and imperiled, so are we.

If other friendly nations are strong and free, our own strength and freedom are more secure.

If other free nations prosper, so do we.

In these truths we see the fallacy of adding measurably to our own massive and adequate armaments at the expense of allied strength, which is in many instances better located strategically than ours can ever be. No less dangerous is the annual argument that America should stint on strengthening the free world because this would give us more luxury in a comfortable isolation here at home.

This is sheer deadliness—a counsel of defeat and complacency. Logically carried out, it could end only in a militarized America. To the extent that this concept is indulged it gravely menaces the people of the United States.

We can, here at home, arm to the teeth and yet go down in total defeat if we let the rest of the world be swallowed up by an atheistic imperialism. By abandonment of struggling millions to lives of hopeless desperation, rich America might, for a time, live more extravagantly. But not for long! For a just peace, dependable security, and real progress were never bought by destructive weapons and hardhearted selfishness, but rather by education, by training, by constructive works—by cooperation.

Only by thinking of ourselves, and truly conducting ourselves, as brothers under God with those who, with us, want to live and grow in freedom, can we hope to solve problems in which failure will mean disaster for much of humanity. Victory in this effort will mean a shoulder-to-shoulder march to greater security, greater prosperity, and greater happiness for all. There, in those few words, is the very heart of mutual security.

So tonight I restate to you this pledge of the executive branch of your Government. I pledge a continuing and energetic support of the principle and programs of mutual security. And I call upon the leadership and the rank and file of both political parties, as well as upon all other sons and daughters of America, to see that those parties hold true to their pledges to give this program their support.

Of this I am certain: The path for America must be one of cooperation—cooperation among ourselves and with our friends abroad who are dedicated to human dignity and from whom we draw strength as we impart of our own strength to them. Together we shall confidently carry the burdens and sacrifices of sustaining security against any imperialistic design—as together we continue the search for peace, a search in which we shall persevere without tiring or ceasing until victory, at last, shall belong to all the earth.

Thank you and good night.

Mutual Security Report Emphasizes Problems of Economic Development

Press release 235 dated May 2

The United States will face "new and somewhat different problems in the mutual security area" during the decade of the 1960's, according to President Eisenhower's semiannual report to Congress on the Mutual Security Program, transmitted on May 2.[1]

The report declared that the growing realization of hundreds of millions of people in underdeveloped countries that hunger, poverty, and disease need not be their inevitable lot "represents an emerging force which will probably become the most significant single social factor" of the new decade. "This mighty surging movement in the underdeveloped countries seldom makes for headlines and so far rarely for international 'incidents,'" the report added. "Yet its implications for the decade we are now in are tremendous. . . ."

The report stated the problems and opportunities inherent in the beginning of economic development in the emergent countries have been the subject of "searching thought" both in the United States and in Western Europe in recent months. "Our friends and allies in Europe are also aware of this need, and as their ability to provide development assistance grows, we are increasingly consulting with them to determine how the burden

[1] *Report to Congress on the Mutual Security Program for the First Half of Fiscal Year 1960;* available upon request from the Office of Public Services, Department of State, Washington 25, D.C.

can most efficiently be shared by all," declared President Eisenhower's letter transmitting the report to Congress.

The report declared it has become increasingly clear that the Western industrial nations must make available to the less developed countries the knowledge, advice, and capital to allow economic development within the framework of a free society. The report added:

> If they do not do so, the political and economic influence of the Communist system will be firmly established over whole continents, where the fateful first steps of political and economic development are now being taken. . . .
>
> It behooves the Western democracies to demonstrate by their aid and encouragement that economic advancement can be achieved without putting on the straitjacket of political and economic tyranny.

Reporting on mutual security activities during the semiannual period by areas, the report noted these developments:

Europe. Economic aid virtually terminated, with only Spain, Yugoslavia, Iceland, and Berlin left as recipients. On the military side there was a significant increase in defense expenditures of our NATO partners, reflecting increasing economic stability and prosperity of Europe.

Africa. Most pressing needs of new nations of Africa are, first, administrative, managerial, and technical skills, and, second, capital for development projects. A significant development in this area during the period was an increase in Soviet bloc activity, evidenced by acceptance of a $110 million line of credit by Ethiopia from the bloc and by a $35 million U.S.S.R. loan to Guinea.

Near East and South Asia. The Near East enjoyed a period of relative calm. A significant development in South Asia was announcement of agreement in principle between India and Pakistan on a plan to divide the waters of the Indus River system.[2]

Far East. Largest allocations of fiscal year 1960 appropriations were made, as in the past, to the three divided countries—Korea, Viet-Nam, and the Republic of China—which must maintain large defense forces and are consequently in the greatest need of U.S. assistance. Flood relief programs were undertaken in Taiwan, Korea, and Japan.

Citing other activities of the Mutual Security Program during the period, the report listed Development Loan Fund loans totaling $172.2 million in 17 countries. In addition DLF negotiated 22 loan agreements in the amount of $130 million which represented earlier loan approvals. This activity brought the value of loan commitments issued by DLF since its inception to $908.8 million. All of the loans made for industrial projects were made to private borrowers, including a chemical and pesticide plant in Turkey, pulp and paper and cement plants in the Philippines, and phosphate mines in Jordan.

A total of $32 million in special assistance funds was allocated for U.S. participation in the worldwide malaria eradication program.

As a part of the Government's overall plan in this field, the International Cooperation Administration continued to encourage private enterprise to participate more fully in economic development programs in Thailand, the Sudan, Jordan, Israel, India, Taiwan, Nepal, Ceylon, Ghana, and Greece.

The report said the Mutual Security Program played no part in increases in the balance-of-payments deficits of 1958 and 1959, pointing out, while there had been some increases in offshore procurement under nonmilitary programs, these increases were offset by decreases in offshore procurement under military programs. Although MSP did not cause the increase in balance-of-payments deficits, the report pointed to a new DLF procurement policy which could contribute to a reduction in the balance-of-payments deficit. The new DLF policy places primary emphasis on financing of goods and services of U.S. origin in procurement for DLF projects.[3]

[2] For background, see BULLETIN of Mar. 21, 1960, p. 442.

[3] *Ibid.*, Nov. 16, 1959, p. 708.

Inter-American Advisory Committee Holds Fourth Meeting

The Department of State announced on May 5 (press release 247) that the National Advisory Committee on Inter-American Affairs is meeting at the Department on May 6 and 7. Following his return to Washington Secretary Herter will participate in the meeting of the Committee on May 7.

This will be the fourth meeting of the Committee since its creation by President Eisenhower on November 14, 1959.[1] The purpose of the Commit-

[1] For background, see BULLETIN of Dec. 7, 1959, p. 823, and Dec. 21, 1959, p. 904.

tee is to consider, on a continuing basis, current and long-range problems of our relations with Latin America and to make recommendations thereon to the Secretary of State. The members of the Committee accompanied President Eisenhower on his trip to South America [2] earlier this year, and part of the current meeting will be devoted to a review and assessment of the results of that trip.

United States Plane Downed in Soviet Union

Following is a series of statements and the text of a U.S. note on the subject of a U.S. plane alleged to have been shot down over the Soviet Union on May 1.

STATEMENT BY SECRETARY HERTER, MAY 9

Press release 254 dated May 9

On May 7 the Department of State spokesman made a statement with respect to the alleged shooting down of an unarmed American civilian aircraft of the U–2 type over the Soviet Union. The following supplements and clarifies this statement as respects the position of the United States Government.

Ever since Marshal Stalin shifted the policy of the Soviet Union from wartime cooperation to postwar conflict in 1946 and particularly since the Berlin blockade, the forceful takeover of Czechoslovakia, and the Communist aggressions in Korea and Viet-Nam the world has lived in a state of apprehension with respect to Soviet intentions. The Soviet leaders have almost complete access to the open societies of the free world and supplement this with vast espionage networks. However, they keep their own society tightly closed and rigorously controlled. With the development of modern weapons carrying tremendously destructive nuclear warheads, the threat of surprise attack and aggression presents a constant danger. This menace is enhanced by the threats of mass destruction frequently voiced by the Soviet leadership.

For many years the United States in company with its allies has sought to lessen or even to eliminate this threat from the life of man so that he can go about his peaceful business without fear. Many proposals to this end have been put up to the Soviet Union. The President's open-skies proposal of 1955 was followed in 1957 by the offer of an exchange of ground observers between agreed military installations in the U.S., the U.S.S.R., and other nations that might wish to participate. For several years we have been seeking the mutual abolition of the restrictions on travel imposed by the Soviet Union and those which the United States felt obliged to institute on a reciprocal basis. More recently at the Geneva disarmament conference the United States has proposed far-reaching new measures of controlled disarmament. It is possible that the Soviet leaders have a different version and that, however unjustifiedly, they fear attack from the West. But this is hard to reconcile with their continual rejection of our repeated proposals for effective measures against surprise attack and for effective inspection of disarmament measures.

I will say frankly that it is unacceptable that the Soviet political system should be given an opportunity to make secret preparations to face the free world with the choice of abject surrender or nuclear destruction. The Government of the United States would be derelict to its responsibility not only to the American people but to free peoples everywhere if it did not, in the absence of Soviet cooperation, take such measures as are possible unilaterally to lessen and to overcome this danger of surprise attack. In fact the United States has not and does not shirk this responsibility.

In accordance with the National Security Act of 1947, the President has put into effect since the beginning of his administration directives to gather by every possible means the information required to protect the United States and the free world against surprise attack and to enable them to make effective preparations for their defense. Under these directives programs have been developed and put into operation which have included extensive aerial surveillance by unarmed civilian aircraft, normally of a peripheral character but on occasion by penetration. Specific missions of these unarmed civilian aircraft have

[2] *Ibid.*, Mar. 28, 1960, p. 471.

not been subject to Presidential authorization. The fact that such surveillance was taking place has apparently not been a secret to the Soviet leadership, and the question indeed arises as to why at this particular juncture they should seek to exploit the present incident as a propaganda battle in the cold war.

This Government had sincerely hoped and continues to hope that in the coming meeting of the Heads of Government in Paris Chairman Khrushchev would be prepared to cooperate in agreeing to effective measures which would remove this fear of sudden mass destruction from the minds of peoples everywhere. Far from being damaging to the forthcoming meeting in Paris, this incident should serve to underline the importance to the world of an earnest attempt there to achieve agreed and effective safeguards against surprise attack and aggression.

At my request and with the authority of the President, the Director of the Central Intelligence Agency, the Honorable Allen W. Dulles, is today briefing Members of the Congress fully along the foregoing lines.

STATEMENTS BY NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Statement of May 3[1]

A NASA U–2 research airplane, being flown in Turkey on a joint NASA–USAF Air Weather Service mission, apparently went down in the Lake Van, Turkey, area at about 9:00 a.m. (3:00 a.m. e.d.t.) Sunday, May 1.

During the flight in southeast Turkey, the pilot reported over the emergency frequency that he was experiencing oxygen difficulties. The flight originated in Adana with a mission to obtain data on clear air turbulence.

A search is now underway in the Lake Van area.

The pilot is an employee of Lockheed Aircraft under contract to NASA.

The U–2 program was initiated by NASA in 1956 as a method of making high-altitude weather studies.

Statement of May 5[2]

One of NASA's U–2 research airplanes, in use since 1956 in a continuing program to study gust-meteorological conditions found at high altitude, has been missing since about 9 o'clock Sunday morning (local time) when its pilot reported he was having oxygen difficulties over the Lake Van, Turkey, area.

The airplane had taken off from Incirlik Air Base, Turkey. The flight plan called for the first check point to be at 37 degrees, 25 minutes, North: 41 degreees, 23 minutes, East, and for a left turn to be made to the Lake Van beacon, thence to the Trabazon beacon, thence to Antalya, and return to Adana. The flight scheduled was estimated at 3 hours, 45 minutes, for a total of 1,400 nautical miles. Takeoff was at 8 a.m. local time.

(The above-given times are the equivalent of 3 a.m. Sunday, and 2 a.m., Eastern Daylight Time.)

About one hour after takeoff, the pilot reported difficulties with his oxygen equipment. Using emergency radio frequency, he reported he was heading for the Lake Van beacon to get his bearings, and that he would return to Adana.

As indicated above, his flight plan called for him to make a left turn at the Lake Van beacon. His last report indicated he was attempting to receive that beacon. It is believed he probably was on a northeasterly course, but there was no further word.

An aerial search was begun soon after receipt of the last communication. The Lake Van area is mountainous and very rugged. No evidence has been sighted of the aircraft having crashed.

If the pilot continued to suffer lack of oxygen, the path of the airplane from the last reported position would be impossible to determine. If the airplane was on automatic pilot, it is likely it would have continued along its north-easterly course.

The pilot, as are all pilots used on NASA's program of upper atmosphere research with the U–2 airplane, is a civilian employed by the Lockheed Aircraft Corporation, builders of the airplane.

When the research program was begun in 1956 by the National Advisory Committee for Aeronautics (Predecessor to NASA), the federal agency did not have a sufficient number of pilots to operate the program, and so a contract was made with Lockheed to provide the pilots.

Overseas logistic support for NASA's continuing use of the U–2 is provided by Air Weather Service units of the USAF.

NASA has procured a total of 10 U–2 airplanes. The airplane was originally built as a private venture by Lockheed to serve as a "flying test bed". It is powered by a single Pratt & Whitney J–57 turbojet engine, and can maintain flight for as long as four hours at altitudes of up to 55,000 feet.

Since inception of the research program in 1956, the U–2 flying weather laboratories have operated from bases in California, New York, Alaska, England, Germany, Turkey, Pakistan, Japan, Okinawa and the Philippines.

The U–2 airplanes are presently being used in California (Edwards AFB, one), Japan (Atsugi, three) and Turkey (Adana, four).

The instrumentation carried by the U–2 permits obtaining more precise information about clear air turbulence, convective clouds, wind shear, the jet stream, and such widespread weather patterns as typhoons. The air-

[1] Made orally in response to press inquiries on May 3.
[2] Released to the press on May 5.

plane also has been used by NASA to obtain information about cosmic rays, and the concentration of certain elements in the atmosphere, including ozone and water vapor.

Instrumentation carried includes: Angular velocity recorder, to measure the airplane's rate of pitch; modified VGH recorder, to measure and record head-on gust components in flight; flight recorder Model BB, continuous recorder of indicated airspeed, pressure altitude and normal acceleration; airspeed and altitude transducer to measure pressure altitude and indicated airspeed; temperature and humidity measuring set AN/AMQ 7, to measure indicated free air temperature and indicated relative humidity; and vortex thermometer system, to measure true free-air temperature within one-half degree Centigrade at high speeds.

DEPARTMENT STATEMENT, MAY 5[3]

The Department has been informed by NASA that, as announced May 3, an unarmed plane, a U–2 weather research plane based at Adana, Turkey, piloted by a civilian has been missing since May 1. During the flight of this plane, the pilot reported difficulty with his oxygen equipment. Mr. Khrushchev has announced that a U.S. plane has been shot down over the U.S.S.R. on that date. It may be that this was the missing plane. It is entirely possible that having failure in the oxygen equipment, which could result in the pilot losing consciousness, the plane continued on automatic pilot for a considerable distance and accidentally violated Soviet airspace. The United States is taking this matter up with the Soviet Government, with particular reference to the fate of the pilot.

U.S. NOTE OF MAY 6[4]

The Embassy of the United States of America by instruction of its Government has the honor to state the following:

The United States Government has noted the statement of the Chairman of the Council of Ministers of the Union of Soviet Socialist Republics, N. S. Khrushchev, in his speech before the Supreme Soviet on May 5 that a foreign aircraft crossed the border of the Soviet Union on May 1 and that on orders of the Soviet Government, this aircraft was shot down. In this same statement it was said that investigation showed that it was a United States plane.

As already announced on May 3, a United States National Aeronautical Space Agency unarmed weather research plane based at Adana, Turkey, and piloted by a civilian American has been missing since May 1. The name of the American civilian pilot is Francis Gary Powers, born on August 17, 1929, at Jenkins, Kentucky.

In the light of the above the United States Government requests the Soviet Government to provide it with full facts of the Soviet investigation of this incident and to inform it of the fate of the pilot.

DEPARTMENT STATEMENT, MAY 7[5]

The Department has received the text of Mr. Khrushchev's further remarks about the unarmed plane which is reported to have been shot down in the Soviet Union. As previously announced, it was known that a U–2 plane was missing. As a result of the inquiry ordered by the President it has been established that insofar as the authorities in Washington are concerned there was no authorization for any such flight as described by Mr. Khrushchev.

Nevertheless it appears that in endeavoring to obtain information now concealed behind the Iron Curtain a flight over Soviet territory was probably undertaken by an unarmed civilian U–2 plane.

It is certainly no secret that, given the state of the world today, intelligence collection activities are practiced by all countries, and postwar history certainly reveals that the Soviet Union has not been lagging behind in this field.

The necessity for such activities as measures for legitimate national defense is enhanced by the excessive secrecy practiced by the Soviet Union in contrast to the free world.

One of the things creating tension in the world today is apprehension over surprise attack with weapons of mass destruction.

To reduce mutual suspicion and to give a measure of protection against surprise attack the

[3] Read to news correspondents on May 5 by Lincoln White, Director of the Office of News.

[4] Delivered by the American Embassy at Moscow to the Soviet Ministry of Foreign Affairs on May 6 (press release 249).

[5] Read to news correspondents on May 7 by Mr. White.

United States in 1955 offered its open-skies proposal—a proposal which was rejected out of hand by the Soviet Union. It is in relation to the danger of surprise attack that planes of the type of unarmed civilian U–2 aircraft have made flights along the frontiers of the free world for the past 4 years.

Research Program To Detect, Identify Underground Nuclear Tests Expanded

White House press release dated May 7

The President on May 7 announced approval of a major expansion of the present research and development directed toward an improved capability to detect and identify underground nuclear explosions. The present U.S. program has evolved from the recommendations set forth by the Panel on Seismic Improvement (Berkner panel).[1] For fiscal year 1960 it has been funded for approximately $10 million. During fiscal year 1961 it is anticipated that the funds required will be about $66 million for all aspects of the seismic research and development program.

Known as Project Vela, the program calls for increased basic research in seismology; procurement of instruments for a worldwide seismic research program; development of improved seismic instruments; construction and operation of prototype seismic detection stations; and an experimental program of underground detonations encompassing both high explosive and, where necessary, nuclear explosions. The planned program provides for investigation of all aspects of improvement that are considered to be feasible.

Such nuclear explosions as are essential to a full understanding of both the capabilities of the presently proposed detection system and the potential for improvements in this system would be carried out under fully contained conditions and would produce no radioactive fallout. In order to develop sufficient reliable data from the program, it is anticipated that it will be necessary to conduct a series of explosions of various sizes in differing types of geological formations.

Recently the Soviet negotiators at Geneva concurred with the proposal that underground nuclear explosions should be conducted to improve the capability of the proposed control network to detect and identify underground explosions.

They have also indicated a willingness to discuss research and development in the seismic detection area with the United States and the United Kingdom. Agreement has been reached to convene a group of U.S.S.R., U.K., and U.S. scientists in Geneva on May 11 to exchange information on the seismic research activities of the three nations as a basis for future determination of the areas in which coordinated or joint research would be most fruitful.

Government agencies including the Department of Defense, the Atomic Energy Commission, the Department of Commerce, and the Department of Interior, as well as universities and private organizations, will participate in carrying out the United States program of research and development related to the detection and identification of nuclear detonations.

[1] For a summary of the conclusions reported by the panel on Mar. 16, 1959, see BULLETIN of July 6, 1959, p. 16.

Documents on Disarmament Talks Made Available for Reference

Press release 233 dated May 2

The Department of State on May 2 made available for reference the verbatims of the Conference of the Ten-Nation Disarmament Committee for the period from March 15 to 31, 1960. The release was made pursuant to an agreement reached last month by the 10 negotiating parties that verbatims of the conference sessions will be released on a monthly basis 1 month after the sessions take place. Release of verbatims of subsequent sessions will follow this procedure.

Disarmament: The Problem and the Prospects

by Francis O. Wilcox
Assistant Secretary for International Organization Affairs [1]

I warmly welcome the opportunity to meet with members of the American Society of International Law, whose signal contributions to scholarship and whose continuing influence on international affairs are recognized throughout the world.

It is a special challenge to address this distinguished group. That is so primarily because your interest and qualifications cover a very wide spectrum, ranging from particular questions of international law and practice to fundamental issues of international peace and order. And it is a high tribute to this organization that this is indeed the case.

Tonight I would like to speak to you about one of these fundamental questions, perhaps the most vital and the most critical of world problems. I refer to the problem of disarmament.

The Urgent Need for Disarmament

The infinitely destructive capabilities of modern warfare have given new focus and urgency to disarmament efforts. I fear that we now take for granted "kilotons" and "megatons" as measures of destructive power. These words, describing nuclear and thermonuclear explosive power in terms of its equivalent in thousands or millions of tons of TNT, have become commonplace. Their impact on the human mind has accordingly tended to diminish. Yet the fact remains that a single plane today can deliver more destructive power than *all* of the planes in *all* of the air forces delivered during the Second World War.

Let us clearly note, moreover, that nuclear weapons technology and capacity may not remain the exclusive province of those who now possess them. Others can no doubt develop this capability. We thus face clear prospects of the proliferation of nuclear weapons among the states of the world, with all that this would portend in added hazard to international peace.

I do not need to emphasize here other aspects of the problem of peace and security: the rapid development of missiles, the entry of manmade objects—and soon man himself—into outer space, the advances in chemical and biological methods of warfare. Nor do I need to address myself to the tremendous economic burden of armaments in the world.

Yesterday [April 27] in his press conference, President Eisenhower said that he could "see no reason why the sums which now are going into these sterile, negative mechanisms that we call war munitions shouldn't go into something positive." In this connection it is significant that the amount of money spent for national defense in this world in 1 year would pay for all the activities and programs of the United Nations for the next 500 years. For the totality of this problem is such that the search for disarmament has become a prime imperative of our times.

But we must not be maneuvered into disarmament at any price. The disarmament arrangements we see—and must find—are those that through mutual application and safeguarded implementation will enhance our security and not leave us and our free-world associates open and vulnerable to aggressive action.

Tomorrow, in Geneva, the 10-nation disarmament group, which is the focal point of present disarmament efforts, will recess for 6 weeks until after the meeting at the summit.

[1] Address made before the American Society of International Law at Washington, D.C., on Apr. 28 (press release 226).

There are some who have criticized us for agreeing to a disarmament forum based on equal representation with the Communist bloc. However, the reasons for this are clear and, I think, substantial.

The withdrawal of the Soviet Union from the U.N. Disarmament Subcommittee in 1957 left us without an agreed forum for disarmament negotiations. We believed that no avenue should be left unexplored which might offer prospects for progress on this crucial problem. We were convinced that, although detailed disarmament negotiations would take place for the time being outside the U.N. by the establishment of the Committee of Ten,[2] this would not diminish the United Nations' responsibility for general disarmament. As a matter of fact, if agreement can be achieved among the Ten in Geneva, it will contribute substantially to a fuller realization of the purposes and principles of the charter.

This view was reflected by the General Assembly in a resolution unanimously adopted at its past session.[3] The resolution expressed the hope that measures leading toward the goal of general and complete disarmament under effective international control would be worked out in detail and agreed upon in the shortest possible time.

U.S. Objectives at Geneva

We approach the disarmament problem with two basic aims:

First, to try urgently to create a more stable military environment in order to curtail the risk of war.

Second, to reduce national armed forces and armaments and to strengthen international peacekeeping machinery to the point where aggression will be deterred by international rather than national force.

To accomplish the first objective, we believe it is necessary to undertake measures to guard against surprise attack, to halt future nuclear weapons production, to reduce existing nuclear weapons stockpiles, to bring about balanced reductions in conventional arms and armed forces, and to initiate measures to assure the peaceful use of outer space.

But we would not be satisfied to stop with these achievements. We want to move on toward the elimination of weapons of mass destruction and toward the reduction of national armed forces and armaments to levels required only for internal security purposes and to carry out obligations under the United Nations Charter. At the same time we want to foster universally accepted rules of law, backed by a world court and an international armed force, which would prevent any nation from launching an aggression.

This, in brief, sets the scene for the first round of negotiations which have taken place over the past weeks in Geneva. The Soviets thus far have not been willing to discuss the obvious and specific initial measures I have outlined. Without burdening you with the details, I should like to outline some of the basic differences in approach to the problem of disarmament taken by the Communist bloc and ourselves.

The Mirage of Agreement in Principle

So far the Communist representatives at Geneva have refused to consider any proposals which do not endorse in principle the Soviet version of general and complete disarmament. This Soviet tactic in negotiation is all too familiar. All too often the Communists seem more interested in slogans than in serious negotiations.

We have been exposed before to these tactics. "Ban the bomb," "Stop all nuclear testing"—these are familiar slogans which have a certain superficial appeal.

This time the Communists talk about "general and complete disarmament" as if this were a trademark which they had registered and as if its acceptance constituted the only way to make progress in disarmament. During the first 3 days of negotiations at Geneva, the Communist delegates used the phrase "general and complete disarmament" 135 times. They dodge the question of effective international controls, and thus the slogan is just as misleading and just as superficial as the earlier mirages.

Even the General Assembly resolution, which was cosponsored by all of the members of the United Nations and which expressed the hope for "general and complete disarmament *under effective international control*" becomes in Mr. Zorin's[4]

[2] For background, see BULLETIN of Sept. 28, 1959, p. 438.

[3] For a statement by Ambassador Henry Cabot Lodge and text of the resolution, see *ibid.*, Nov. 23, 1959, p. 765.

[4] V. A. Zorin, chairman of Soviet delegation to the Ten-Nation Disarmament Conference.

speeches, and in his satellites' echoes, United Nations endorsement of the Soviet plan. But when this resolution is cited by the Communists, it is usually rewritten, and the vital provision "under effective international control" conveniently disappears. Even when the Soviets do make reference to controls, they tend to give only lip service to a concept and do not make a serious effort to develop an effective system of verification.

The Soviets seem interested only in what label is put on the disarmament package. In the light of our previous experience with them in the use of slogans, we are interested primarily in the contents. Until agreement is reached on the contents, how can the label mean anything?

What we seek is a secure, free, and peaceful world in which there would be general disarmament under effective international safeguards and agreed procedures for the settlement of disputes in accordance with the principles of the United Nations Charter.

To this end we have submitted concrete proposals [5] on the basis of which the 10-nation group could begin immediately to hammer out specific measures of real disarmament. The Communist side has not been willing to negotiate on specific disarmament measures but has contented itself with urging agreement in principle on abolition of all armies, armaments, and war ministries within 4 years.

The Need for Verification

At Geneva the Soviets have thus far sought to avoid any serious negotiation about the question of control and inspection, although they acknowledge that this is an essential element in any general disarmament agreement. In this approach they are reflecting the historic reluctance of Communist disarmament negotiators to talk about, much less to agree upon, concrete arrangements to assure that disarmament measures are actually observed.

I find it wholly understandable that the Soviet Union, with its phobia for secrecy and with its broad access to information about developments in the free world, should find disarmament control arrangements highly undesirable on the one hand and perhaps even unnecessary on the other. Yet precisely these same factors make it imperative for the free world to insist upon an adequate system of inspection for verifying compliance with disarmament agreements. In this area, which is clearly vital to our own security, we cannot rely on promises alone. Control and inspection procedures must be part and parcel of any agreed disarmament measures.

The Communist group frequently alleges that proposals for a verification system are designed for purposes of espionage. They characterize these proposals as a wish on our part to look into everybody's bedroom and into everybody's garden. Now obviously effective international control machinery will certainly result in the gathering and exchange of information. But this should not go beyond what is necessary to establish and sustain confidence. Equal assurance to both sides that commitments under a disarmament agreement are being carried out is essential. This is the essence of international control.

In my dictionary, "espionage" is defined as the practice of spying on others or the employment of spies and the systematic secret observation of the words and conduct of others. This is by no means the definition of the operations of an internationally agreed organization whose task is to gather and receive information which will assure both sides that the disarmament agreement is being carried out.

In spite of this essentially negative and grudging approach to the central problem of control and inspection, the Soviets must come to realize that we will insist upon adequate control arrangements in any disarmament agreement.

I would like to be quite clear on one point. In this imperfect world we do not expect to see a 100 percent perfect system of controls. Nor are we seeking controls for the sake of controls. Our prime purpose has been, and remains, to work out disarmament agreements that will reduce the prospects of war and the burden of armaments. We attach the utmost importance to our efforts to achieve this goal. As a part of such arrangements, we seek only that degree of control and verification which will permit the world to know that the agreements are being kept by all parties. We ask the Soviets to accept nothing that we will not ourselves accept. If the Soviet Union will approach this question in the same reasonable way, I am confident that significant progress can be made.

[5] For text, see BULLETIN of Apr. 4, 1960, p. 511.

Measures of Nuclear Disarmament

I now turn to the question of our respective approaches to the problem of nuclear armaments. It is clear that the Soviet attitude on this matter is motivated by both political and strategic considerations. The Soviet Union has attempted to create pressures throughout the world which would inhibit free-world use of nuclear weapons in defense against aggression. In strategic terms, there can be little doubt that the Soviets have regarded nuclear weapons as an important element in Western strength. They have undoubtedly reasoned that, if we could be effectively precluded from the possibility of using nuclear weapons in our own defense, while Soviet strength in conventional armaments was retained, our strategic position would be impaired.

Thus over a period of years the Soviet purpose has been to "ban the bomb." In the present negotiations at Geneva this theme is once again being played. The Soviets have again proposed that each nuclear power should agree not to use nuclear weapons first. They also propose the complete elimination of nuclear weapons but have admitted that this could not be verified by existing techniques.

How does the United States look at this problem?

We have recognized, and continue to recognize, the need to deal effectively with nuclear weapons in any comprehensive disarmament arrangement. We believe, however, that nuclear and conventional disarmament measures must be balanced so that no country or group of countries will obtain, at any stage, a significant military advantage. We proposed that early steps be taken to limit the continuing buildup in nuclear weapons. As an initial step we seek an agreed cutoff, under proper safeguards, in the future production of nuclear materials for weapons purposes. We also propose to begin reduction of existing stockpiles of nuclear weapons materials by siphoning off agreed quantities for peaceful uses.

One of our ultimate goals in a disarmament agreement is the final elimination of nuclear weapons as may be feasible in the light of technical and scientific knowledge. Let me note this important point: At the present time it would not be scientifically possible to establish means of verification to confirm whether nuclear stockpiles had in fact been eliminated. Today a would-be aggressor could conceal nuclear weapons without any fear of detection.

But, as I have noted, there are important steps that can be taken now. We hope that the Soviets will agree to the specific measures in this area which I have already outlined.

Outer Space

Recognizing that the world stands on the threshold of the space age, the United States has again proposed at Geneva, as it has in the United Nations for the past 3 years, that steps be taken toward insuring the use of outer space for peaceful purposes only. We have specifically proposed that there should be a prohibition, with appropriate controls, against placing into orbit or stationing in outer space vehicles carrying weapons of mass destruction. Technological advances in this field have been astounding. Satellites are being sent aloft with increasing frequency. Scientists will no doubt soon discover ways to bring orbiting bodies back to a predetermined point on earth. The military implications of this are profoundly evident.

It is for these reasons that Soviet failure to deal concretely with the problems of preventing weapons of mass destruction from being introduced into outer space is so disquieting. There may be real danger that we will soon reach the point of no return so far as control of vehicles in outer space is concerned.

One could draw an unhappy parallel with the Soviet rejection in 1947 of the United States proposal to forgo the American monopoly of atomic weapons and establish full international control of atomic energy. We know now that the Soviet out-of-hand refusal to consider this extraordinary proposal was a tragic turning point in history.

We hope the present attitude of the Soviet Union with respect to outer space does not portend the same kind of fateful choice. It would be tragic indeed if the nations of the world were to extend to the vast reaches of outer space the military rivalries which plague man here on earth.

Maintaining Peace in a Disarmed World

Another basic difference between the Western and the Communist approach to disarmament is highlighted by our proposal that, as disarmament is achieved, steps must be taken to strengthen and

build up the machinery to maintain peace. The Soviet Union seems to maintain that existing arrangements are adequate and vigorously opposes the concept of an international force.

Fortunately we already have a strong foundation on which to build such peacekeeping machinery. The United Nations was established for the purpose of maintaining international peace and security.

Our aim, accordingly, is a stronger United Nations. Perhaps the time is approaching when new efforts should be made toward making this Organization a more effective instrument for peace. Let me repeat—we have in the United Nations the structure on which to build. There is nothing wrong with the charter that good will could not cure.

We must also seek to accelerate the development of international law, looking toward the rule of law in the world. Certainly it would make a tremendous difference if states showed a fair-minded and careful regard for generally recognized legal rules. Far more use should be made of the International Court of Justice. Greater use should be made of advisory opinions. And further steps should be taken to extend the compulsory jurisdiction of the Court.

In this connection may I say that I regret very much that it has not yet been possible to take the steps necessary to permit this Government to embrace with complete fidelity the principle of compulsory jurisdiction.

It would be a mistake to assume that, if the point is reached where national armed forces have been reduced by mutual agreement to the militia level, the danger of aggression will have been automatically eliminated. There have been many cases in the past few years when frontiers were crossed and distinctly military actions were carried out by lightly armed forces. We are all too familiar with the pattern of indirect aggression and know that men armed with only light weapons—rifles, submachine guns, pistols, and hand grenades—can promote civil disorder and contribute to the overthrow of the government of a neighboring state.

In the light of these present-day experiences it is clear that there would be need for an effective international force to help keep the peace and repel aggression in a world where national armaments have been substantially reduced. As we have proposed in Geneva, such a force should operate within the framework of the United Nations. Without such a force a world fully disarmed except for rifles, or, for that matter, sticks and stones, would still not adequately guarantee peace and security.

The Soviets do not accept this concept. In an article published last fall—incidentally at about the same time the Soviet Union was putting forth its slogan of "general and complete" disarmament—*Pravda* warned against the creation of an international police force "armed to the teeth" which would be used for "suppressing peoples determined to change the social system in their countries."

We must consider seriously, even if the Communists choose not to, the anarchy and risks of aggression to which a disarmed world would be exposed if there were not at the same time recognized rules of law enforced by strong United Nations peacekeeping machinery.

Nuclear Test Talks

The differences in approach which I have briefly described on certain fundamental areas of the disarmament problem suggest to you, I am sure, why our negotiators at Geneva fully realize that they have a long and difficult road ahead. Thus far, perhaps not unexpectedly, they have little reason to be encouraged by the Soviet attitude.

But our efforts in the disarmament field cover a broad front. And we do find some reason for encouragement. The atmosphere in an adjoining conference room at Geneva is cautiously optimistic. I refer to the talks where American, British, and Soviet delegations have been working for the past 18 months on an agreement looking toward a controlled ban on the testing of nuclear weapons.

Here we have proposed that a treaty be concluded which would end all nuclear weapons tests where adequate controls can be agreed. This would exempt small underground explosions. However, we recently stated a willingness to agree to a temporary, voluntary moratorium on these small underground explosions where adequate control is not now possible.[6] Such a moratorium,

[6] For text of a joint declaration by President Eisenhower and British Prime Minister Macmillan, see *ibid.*, Apr. 18, 1960, p. 587.

however, is conditioned on progress being made in the negotiations on various important issues that now separate the two sides and on arrangements being made for a coordinated research program aimed at finding more reliable means of identifying small underground disturbances.

However, there are still important political and technical issues to work out. Agreement must still be reached on such critical matters as the basis and frequency of on-site inspections of areas where unidentified seismic events have occurred within the territories of the parties. This is a major obstacle. The Soviets insist that the number of such inspections should be limited and based on a purely political decision. We believe that this is not a political question but that inspections should be based on detection capabilities and scientific facts.

Still another matter at issue is the composition of the staff manning the control posts which will be established within the three countries and throughout the world. The Soviets wish to have a predominance of host-country nationals in the control posts. We cannot accept this since it would amount to self-inspection. In the light of the need to insure objectivity, we have proposed that the control posts be manned by an international staff made up of one-third host-country nationals, one-third from the other side, and one-third from other countries.

Further issues include voting procedures, where the shadow of the veto is still with us, procedures to govern explosions for peaceful purposes, and the composition of the seven-nation control commission.

However, in the 18 months of painstaking and patient negotiations—a prerequisite for conducting diplomatic talks with the Soviets—we have reached agreement on a preamble and 17 draft articles and an annex of a treaty, as well as certain important technical matters.[7]

The most significant point is that the Soviets have agreed to the establishment of control posts in Soviet territory to be manned in part by non-Soviet personnel to verify compliance with the treaty. Thus there is some basis for cautious optimism at that conference, and we can only hope that some of this optimism will pervade the adjoining conference room, where the disarmament negotiators will be meeting when they resume their talks in June.

Do the Soviets Want Disarmament?

In view of the frustrations we have experienced over many years in trying to negotiate disarmament arrangements with the Soviet Union, people often ask whether the Soviets really want disarmament. I do not pretend to know the answer, but I would suggest that there may be several reasons why the Soviet Union should be genuinely interested in agreement on disarmament. First of these is the very human fear of the devastation that would be visited on all peoples alike by a total nuclear war. The ravages of World War II in destruction of their manpower and capital plant and equipment must have left a profound impression on the Communist leaders. They are intelligent men, and they must be able to visualize the incomparably greater ravages which a nuclear war would bring.

In the second place, the burden of supporting military establishments in the nuclear age is extremely costly both in men and materials. The losses of World War II also resulted in a deficiency in Soviet manpower, a particularly critical problem in light of the intensive Soviet campaign to increase industrial output and reclaim lands in Siberia. There are also increasing demands by Soviet citizens for more of the comforts of life. It is difficult to know exactly how much of a role each of these considerations might play in Soviet policy formulation, but there can be no denying the increasing competition for the resources and the productive energies of the state.

There are certainly other considerations as well. These could involve such matters as Soviet assessment of the balance of military advantage in any disarmament agreement, their estimate of the political advantages that might be derived from any such agreement, and their relative view of the prospects for achieving their objectives by either military or nonmilitary means.

[7] Copies of the agreed documents (drafts of a preamble and various articles of a treaty on the discontinuance of nuclear weapons tests, together with a draft annex on a preparatory commission) are available upon request from the Office of Public Services, Department of State, Washington 25, D.C.

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I do not propose to attempt to strike a balance of all these factors. And I am sure there are others as well. But there are at least some reasons why the U.S.S.R. could be seriously interested in making progress toward disarmament. We strongly hope this is the case.

Perhaps the most difficult part of the equation is how much they might be willing to pay for disarmament by way of opening up their system to the inspection that would be required. I have already spoken of the difficulties we have experienced over a long period in this regard. But we must not, and will not, give up hope.

Concluding Comment

What, then, are the prospects for progress in the months ahead?

With the adjournment of the conference in Geneva tomorrow, we turn our eyes to the summit. In just 2 weeks, the Heads of Government of the United States, France, the United Kingdom, and the Soviet Union will meet in Paris. Disarmament will assuredly be one of the topics of highest priority. It is our fervent hope that the Soviets will join with us in giving the necessary impetus to the disarmament negotiations so that when the 10-nation conference reconvenes in June it can come to grips with the concrete measures which could eventually relieve man of the tremendous burden of armaments and free him from the specter of war.

Until acceptable disarmament arrangements are negotiated, we must continue to look to our own defenses. There is no other way if negotiations are to succeed. There is no other way if world peace is to be maintained. We know that the realization of the ultimate goal of world disarmament which we seek lies in the distant future. But this is no reason for us to be fatalistic and to concede that nuclear catastrophe is inescapable. As Thucydides reminds us, "Fatalism tends to produce what it dreads, for men do not oppose that which they consider inevitable."

I continue to believe that, if mankind is ingenious enough in the scientific field to forge the weapons capable of destroying himself, he has the innate wisdom and capacity in the political field to work out the means of preserving and advancing civilization.

Crown Prince and Princess of Japan To Visit U.S.

Statement by President Eisenhower

White House press release dated May 7

At the time of Prime Minister Kishi's visit last January,[1] I expressed the hope that the Crown Prince [Akihito] and Princess [Michiko] would be able to visit the United States during the centennial year of Japanese-American relations. I am now happy to announce that Their Imperial Highnesses have accepted my invitation and will be in Washington from September 27 to September 29.

They will be welcomed in the spirit of cordial friendship and mutual respect which characterizes relations between our two great nations.

Messages by President and Secretary on Japanese Centennial

President Eisenhower

White House press release dated May 3

One hundred years ago Japan sent its first embassy to Washington to exchange ratifications of the Treaty of Amity and Commerce between Japan and the United States.[2] In extending a warm welcome to this embassy, the President expressed, on behalf of the American people, his deep gratification at this beginning of closer relations with Japan.

This historic occasion laid the foundation for our friendship, and a remarkable cultural, economic, and political interchange between our two countries. I am happy to say that the bonds of friendship between our two peoples are stronger today than ever before.

Japan and the United States are joined in a partnership based on mutual trust, mutual respect, and full cooperation. We are both dedicated to the task of helping build a better world, where there will be peace and justice for all.

DWIGHT D. EISENHOWER

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[1] BULLETIN of Feb. 8, 1960, p. 179.

[2] For an article by E. Taylor Parks on "The First Japanese Diplomatic Mission to the United States—1860," see BULLETIN of May 9, 1960, p. 744.

Secretary Herter

Press release 238 dated May 3

I am happy to join with all Japanese and Americans who this year are celebrating the hundredth anniversary of the Treaty of Amity and Commerce between Japan and the United States. This is a fitting time to review the many ways in which our two countries have profited during their long relationship.

In the early stages of the Meiji era, when Japan opened its doors to the West, we established firm economic and cultural ties. In recent years these ties have been greatly strengthened, and today Japan and the United States are working together in a close partnership that serves not only the enlightened self-interest of both countries but also the cause of peace, justice, and progress.

In this centennial year we recall the many valuable contributions each country has made to the other. And we look forward to an even warmer friendship and closer relations as we enter the second century of our relations.

CHRISTIAN A. HERTER

United States and Nepal Affirm Mutual Desire To Work for World Order Based on International Justice

His Majesty Mahendra Bir Bikram Shah Deva, King of Nepal, and Her Majesty Ratna Rajya Lakshmi Shah, Queen of Nepal, made an official visit to the United States from April 25 to May 12 at the invitation of President Eisenhower.[1] *Following are the texts of a joint communique released at Washington April 28 and King Mahendra's address before a joint session of Congress on that same day, together with an exchange of greetings between President Eisenhower and the King at Washington National Airport on April 27, an exchange of toasts at a state dinner at the White House that evening, and a list of the members of the official party.*

JOINT COMMUNIQUE, APRIL 28

White House press release dated April 28

The President of the United States and His Majesty Mahendra Bir Bikram Shah Deva, King of Nepal, today held a friendly and fruitful discussion on various matters of mutual interest.

King Mahendra, who is visiting the United States upon the invitation of the President, has also addressed a joint session of the United States Congress. At the conclusion of his Washington stay on April 30, King Mahendra will begin a twelve-day coast-to-coast tour of the United States, during which he will meet with various civic, cultural, and business leaders.

The President expressed great admiration for the steps which have been taken under the leadership of King Mahendra to foster the growth of democracy in Nepal, as exemplified by the promulgation of a constitution by the King and by the holding of general elections in 1959 under the provisions of that constitution.

In their review of the world situation, the President and King Mahendra expressed their mutual concern with the vital problem of achieving lasting peace and establishing a world order based on international justice. They reaffirmed their determination to work toward those goals, the achievement of which will contribute immensely to the general progress, prosperity, and welfare of mankind.

The President and King Mahendra agreed that the American people and the Nepalese people have in common the virtues of tolerance, charity, and benevolence, which virtues should serve as the basis of relations between all nations. The

[1] Their Majesties were in Washington, D.C., April 27–30. Upon completion of the official portion of the visit, they continued their tour of the United States informally until their departure from New York City on June 1.

President and King Mahendra agreed further that Nepal and the United States share a profound belief in the sovereignty and independence of nations and in genuine noninterference in the affairs of others. The President and King Mahendra agreed that any attempt by any nation to impose its own economic system or political beliefs on any other country should be condemned.

The President and King Mahendra expressed a common belief that social and economic progress should be achieved by all peoples in the manner of their own choosing and in government based on consent of the governed and the dignity of the human individual. In this spirit, the President assured King Mahendra of the continuing readiness of the United States to be of assistance to the Government of Nepal in its high objective of developing the resources of the country for the welfare of its people.

The President and King Mahendra expressed their mutual desire to maintain and further strengthen the cordiality and genuine friendship which has always characterized Nepalese-American relations and which has been so evident during the King's visit.

ADDRESS BEFORE THE CONGRESS, APRIL 28

Unofficial translation

Mr. President, Mr. Speaker, and Members of the Congress: We are very much touched by the warmth and spontaneity of emotions and feeling with which we have been received here. With a deep sense of honor and privilege we avail ourselves of the opportunity to address this august assembly. We regard this invitation to us as a token of your friendship and good will toward the people of Nepal, who in their turn have nothing but the greatest respect and admiration for the great people and the leaders of the United States of America. It is my pleasant duty to convey to you and through you to all the citizens of this great Republic the sincere greetings and salutations of the Government and the people of Nepal.

Different nations have acquired influence and leadership in the world in different periods of history. But no other nation at its height of power and prosperity, glory and greatness, had in the past thought in the same benevolent terms about the poverty and hardships of the less fortunate people in other countries of the world as you have been doing in your own time. Your pioneering spirit in this field and dedication to the great and noble task of helping to alleviate the conditions of poverty and suffering wherever they may exist have served to focus universal attention on this question of serving humanity as a matter of international responsibility.

We had till 12 years ago very little to do with each other, even in the way of trade and diplomatic relations. Till then few Americans had visited Nepal and the Nepalese who had visited America could actually be counted on the fingertips. With the advent of democracy in Nepal things began to change, and since the opening of the U.S. Operations Mission our contacts have increased rapidly and hundreds of Nepalese have come to this country for training and studies in various fields. Quite a few American technicians and experts have been to Nepal to help the Nepalese people out on their problems of transport, economy, and agriculture, on those of health and education. We are glad to be able to tell you that the Nepalese have found the American experts friendly and helpful and always willing and eager to help the Nepalese out on their various problems. In recent years an increasingly large number of American tourists have been visiting Nepal, and they are always among the most welcomed visitors.

Common Faith in Democratic Ideals

Apart from the recent contacts we have referred to above, our common faith in democratic ideals and procedures provides, in our opinion, the lasting basis for greater understanding and cooperation between our two peoples and countries. You are all familiar with the strains and difficulties under which all newly established democracies have to work. The concurrent resolution passed by the U.S. Congress last year on the successful holding of the first-ever elections in Nepal has served as a source of great inspiration and encouragement to the newly elected members of our Parliament in carrying out their duties and responsibilities. Provision for fully representative institutions of government and legislature, respect for fundamental rights and due process of law, respect for freedom and dignity of the individual, are some of the basic principles that underlie the Constitution of Nepal. As is apparent to you, the

Constitution of Nepal is based on the concepts of law, liberty, and rights prevalent for a long time in your own country. Though we are separated from each other by vast expanses of land and water, though our diplomatic relations even do not date far back, there exists between us a lasting moral and spiritual bond that transcends all these material and mundane considerations—a real identity of outlook and views on vital problems of man and society that is derived from common faith in common political principles, ideals, and beliefs.

As a nation we have always prized freedom more than anything else in our history. We believe in an independent foreign policy of judging every international issue on its merits without consideration of anybody's fear or favor and in a policy of nonalinement and nonentanglement. Our record in the United Nations will bear testimony to the above fact. This may sound a little idealistic and a little too impractical, but as a small nation we feel that this is the only way in which we can best contribute to the discussions and deliberations in the United Nations and to the interests of world peace and friendly relations among nations.

Our policy of nonalinement does not arise from our desire to sit on the fence or to evade responsibility in any way. It is merely a manifestation of our reluctance and unwillingness to compromise our freedom of judgment and action beforehand by committing ourselves to support one side or the other even before the emergence of such an eventuality. We believe in retaining as long as possible our freedom of judgment for determining the right course of action in any situation. We do not see anything immoral, or selfish, or passive about it. We do not believe in shirking action, once we feel satisfied and convinced about the right course. We shall certainly not be neutral when we are confronted with the choice between good and evil, or right and wrong.

Ending Tensions Between Nations

Unfortunately the world we live in is passing through a state of uneasy peace and tension between nations. The sooner this state of fear and uncertainty is ended, the better prospects will emerge for mankind as a whole. This is something which is realized by all, but still it appears as though it will be some time before this realization can be translated into practice to the actual benefit of all concerned. However, men of peace and good will in every country must work and work ceaselessly and untiringly for peace and for the removal of the threat of war, because war under the present circumstances will mean nothing short of total destruction of human life and civilization.

Rightly have the great leaders of the world described disarmament—both conventional and nuclear—as the greatest and most pressing problem of our time. All the peoples of the world are eagerly awaiting the successful outcome of the Geneva negotiations on disarmament and nuclear tests ban. Will it be too much to hope that the negotiations in Geneva will result at least in some limited agreement in this field which could be formally registered at the impending summit meeting and announced to trembling humanity as a prelude to better times and broader agreements among nations in the near future? We hope and believe that the impending summit conference and the ones that are proposed thereafter will have the effect of easing tension in the world and registering real progress toward peace, disarmament, and settlement of the outstanding political disputes between nations.

We have not the slightest doubt about the peaceful intentions of the American people. Now it is for her to prove her initiative and skill in convincing other great and small countries about the need for the gradual evolution of a new international order based on freedom, justice, and peace for all and fully responsive to the needs and challenge of the time. The way in which the great powers can meet the greatest challenge of our time and perhaps of history is by turning the present-day situation, fraught with the risks of nuclear war, into the pooling of the resources of the nations of the world for the eradication of poverty and needs from everywhere. We cannot help feeling that, if even a small fraction of one hundred billion dollars that is being presently spent on defense and war expenditure in the world is devoted to the development of the underdeveloped countries, the world would for everybody be an infinitely better and happier place to live in.

We all know that in the history of mankind war has caused serious setbacks to progress and civilization and has always taken a heavy toll of human life. We have faced the devastating effects and grim consequences of the two world wars which took place during the lifetime of many in

our own generation. The finest flower of youth and manhood in every country were decimated in the two world wars, and we can very well imagine the sense of horror haunting the minds of the people heavily loaded with the very bitter memory of the loss of their sons, brothers, and husbands. We hardly need emphasize that no nation in the world, big or small, will remain unaffected in the event of another global war. It is the sincere desire for peace and freedom in the hearts of the 9 million of our countrymen that has prompted us to conclude this address with the following exhortation in the immortal words of your great leader and a great son of America, Abraham Lincoln, which to our mind literally applies to the present-day global context as well if we only replace the word "nation" by "international community":

> It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion—that we here highly resolve that these dead shall not have died in vain—that this nation . . . shall have a new birth of freedom—and that government of the people, by the people, for the people, shall not perish from the earth.

Thank you once again for giving us a patient hearing.

EXCHANGE OF GREETINGS, APRIL 27

White House press release dated April 27

The President

Your Majesties, it is indeed a great honor to welcome you here to the United States. The American people are delighted that you have found it possible to lay down your own responsibilities long enough to come and make this visit to our country.

It is truly an historic occasion. This is the first time that a reigning monarch of Nepal has set foot on this continent, and we are indeed proud that you have found it possible to do so.

The friendly relations between your country and ours are a matter of common knowledge. They have long existed. They have been strong and cordial, and we are confident that your visit here will do much to strengthen them and sustain them.

So, sir, and to you, Your Majesty, we—the people, the Government, and I—join in saying welcome, and we hope that you find our country interesting and that every minute of your stay here will be enjoyable.

His Majesty King Mahendra

Unofficial translation

Your Excellency, and ladies and gentlemen: We are all very happy to be here on your very kind invitation. We heartily welcome this opportunity for the exchange of views with such a great leader as you, who have distinguished yourself in the service of your nation in both war and peace and have always stood for the cause of peace and freedom in the world.

We hope and trust that our visit will further strengthen the existing bonds of friendship and cordiality between our two countries.

We bring to you, Mr. President, the greetings and salutations of the people of Nepal and also through you, sir, convey their best wishes to the people of the United States.

During our visit in the United States in the next few days we will be looking forward to meeting the people in the different parts of the country and acquiring a firsthand knowledge of the great achievements the American people have made in different spheres of national endeavor.

Your Excellency, we thank you from the bottom of our hearts for the kind and generous words of welcome you have just addressed to us and take this opportunity to express our good wishes for the happiness and prosperity of this great land.

Thank you, Mr. President.

EXCHANGE OF TOASTS, APRIL 27

White House press release dated April 27

The President

Your Majesties and my friends: It is indeed a honor for us to gather this evening to welcome t this Capital and to this house the King and Quee of Nepal. We are especially honored because is the first time that a ruling monarch of Nep has set foot on this land.

The times are gone when we feel that geograph means much to the relations between countrie We have become neighbors through the miracle modern inventions, communications, and tran portation, and we have come to know more of eac other. Up until now we have known about suc

countries as Nepal only by reports from a few adventurous travelers—a few of whom, Your Majesty, are here present this evening—but they have told us about a people that is sturdy, proud of its independence and its liberty, and determined to sustain it. Those are the qualities that Americans admire and respect, and try themselves to show.

It is certain, therefore, that as you go about this country you will be greeted with the utmost friendliness, respect, and admiration, and indeed our great hope of knowing—through the members of your party and yourself and your gracious Queen—your people. I think that your visit here cannot fail to stimulate greater travel between our two peoples. This is all to the good because this means a greater understanding among the peoples, and international understanding is the only foundation upon which true peace can be built.

And so, sir, as you come here as the representative and the ruler of your people, as through you we try to send to them greetings and our best wishes for their success and their continued progress, I know that this company will want to join me in raising our glasses to your health and happiness. Ladies and gentlemen, the King!

His Majesty King Mahendra

Unofficial translation

Your Excellency, ladies and gentlemen: With your permission I would like to offer on behalf of the Queen, ourselves, and all those who have accompanied us, heartfelt thanks to the President for his most generous expression of good will to us and our people.

During this brief period of history of diplomatic and friendly association between our two countries, it is for the first time that a personal meeting between the two heads of state has taken place. In the long history of our nation it is also the first time that an occupant of the throne of Nepal has set foot on American soil. We welcome this opportunity of having a free and frank exchange of views on subjects of mutual interest, and especially on the means and possibility of further strengthening the friendly relations between our two countries, both of which share a common belief in the democratic way of life.

Mr. President, my Government and people have always welcomed and appreciated the initiative and efforts on your part for the furtherance of the cause of peace in the world. We would like to take this opportunity to offer our best wishes for the success of the summit conference due to be held next month and venture to express the hope that the whole world will benefit by its outcome.

We are happy to receive this opportunity to meet the American people and their leaders in various spheres of their national life and activity.

Ladies and gentlemen, may we now request you all to join us in toasting the health and happiness of the President and Mrs. Eisenhower.

MEMBERS OF OFFICIAL PARTY

The Department of State announced on April 22 (press release 207) that the following persons would accompany King Mahendra Bir Bikram Shah Deva and Queen Ratna Rajya Lakshmi Shah during the official portion of Their Majesties' visit:

Subarna S. J. B. Rana, Deputy Prime Minister and Minister of Finance, Planning, and Development
Mrs. Subarna S. J. B. Rana
Rishikesh Shaha, Ambassador of Nepal
Mrs. Shaha [2]
Brig. Gen. Sher Bahadur Malla, Military Secretary to the King
Kaji Pushpa Raj, Principal Personal Secretary to the King
Mir Subba Iswari Man, Secretary to the King
Maj. Gen. Sovag Jung Thapa, Cabinet and Defense Secretary
Sushil Chandra Haldar, Personal Physician
Jagdish S. Rana, Second Secretary, Embassy of Nepal

U.S. Helps Afghan Airline Acquire Plane for Fleet

Press release 234 dated May 2

A DC-6B passenger plane, which Afghanistan's airline—Ariana—is acquiring with financial assistance from the U.S. International Cooperation Administration, was dedicated on May 2 at Washington National Airport by Abdul Karim Hakimi, president of the Afghan Air Authority.

The plane, which will be the largest ever to be placed in service by Ariana, will be flown May 3 from Newark Airport to Afghanistan, where it will be immediately placed in operation trans-

[2] Mrs. Shaha accompanied Their Majesties in Washington and New York and on the unofficial portion of the visit.

porting Afghan Muslims on the annual pilgrimage—*Hadj*—to Mecca.

Attending the dedication at which Mr. Hakimi cut the ribbon were Mohammed Hashim Maiwandwal, Afghan Ambassador to the United States; Stellan Wollmar, Director of the ICA Mission in Afghanistan, who is now on consultation in this country; and representatives of Pan American World Airways, which is assisting Afghanistan in civil aviation development under an ICA contract.

The plane is the fifth to be acquired by Ariana with the assistance of a $5 million loan from ICA to the Government of Afghanistan to help Ariana obtain equipment. The other planes were three DC–3's and a DC–4.

The loan was part of a $14,560,000 U.S. program of development assistance begun in 1956 to help landlocked Afghanistan to develop civil aviation. In addition to assisting Ariana to acquire equipment, the program has aided Afghanistan in constructing an international airport at Kandahar and three local airports in other parts of Afghanistan, and in establishing air routes.

Views on Freedom-of-Navigation Amendment to Mutual Security Act

Following the adoption by the Senate on April 28 of an amendment to section 2 of the Mutual Security Act of 1954, as amended,[1] *proposed by Senator Paul Douglas and 17 other Senators, Acting Secretary Dillon sent the following letter to Senator J. W. Fulbright, chairman of the Senate Foreign Relations Committee.*

May 2, 1960

Dear Mr. Chairman: In response to your request for the views of the Department of State with respect to the implications of the Douglas Amendment to the Mutual Security bill, I take this opportunity to set forth the following pertinent observations.

As we understand the intent of its 18 sponsors, the Douglas Amendment is designed to support efforts toward eliminating trade restrictions in the Middle East, particularly with respect to those practiced against the State of Israel. I am sure you are aware that this purpose is fully consistent with long-standing objectives of the United States Government. It is our conviction however, that the inclusion of this Amendment in current Mutual Security legislation will in fact be counter-productive and will not achieve its intended purpose. In addition, such inclusion will in our view have harmful repercussions on United States interests in a wide area of the Middle East.

As you know, a resolution similar to the Douglas Amendment was passed in the House of Representatives at an earlier date. Fully sympathetic with the objective intended, the Department made the text available to our Embassies and Consulates in countries which would be affected by the amendment. In a unanimous expression of opinion our field posts from Morocco to Iraq reported that the adoption of an amendment of this type would clearly not be in the interest of the United States, nor for that matter of Israel.

Our posts abroad emphasized their concurrence with the objective sought by this amendment. They also stressed, however, that regardless of the effect which the amendment might have on the actual level of our assistance to the Middle Eastern states, the amendment would be widely interpreted as: a) demonstrating favoritism for the State of Israel—to the extent that it would render more difficult our efforts to bring about a relaxation of tensions between Israel and the Arab states; and b) an attempt to "tie strings" to our economic aid, and, by implication, to threaten the use of aid as an instrument of political

[1] The Douglas amendment, adopted by a vote of 45 to 25, reads as follows:

"(f) It is the sense of the Congress that inasmuch as—

"(1) the United States favors freedom of navigation in international waterways and economic cooperation between nations; and

"(2) the purposes of this Act are negated and the peace of the world is endangered when nations which receive assistance under this Act wage economic warfare against other nations assisted under this Act, including such procedures as boycotts, blockades, and the restriction of the use of international waterways;

assistance under this Act and the Agricultural Trade Development and Assistance Act of 1954, as amended shall be administered to give effect to these principles and, in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this Act or arising under the Agricultural Trade Development and Assistance Act of 1954, as amended, these principles shall be applied, as the President may determine, and he shall report on measures taken by the administration to insure their application."

coercion. Our posts pointed out, and the Department of State fully concurs, that incorporation of this amendment would without doubt have the effect of making the task of eliminating the Arab boycott of Israel more difficult and would play into the hands of the Soviet bloc which seeks to exacerbate Middle East tensions to further its penetration of the area.

Our Government has repeatedly made clear, publicly and through diplomatic channels, its support for freedom of transit through the Suez Canal, as well as our opposition to the Arab boycott against Israel. These undesirable restrictions, as you are aware, are an outgrowth of the Palestine problem, which continues to cause tensions between Israel and the Arab states and to perpetuate unfortunate circumstances such as those whereby nearly one million Arab refugees are not able to return to their homes. It is our Government's firm conviction that an Arab-Israel settlement will one day come, not by coercion but by a spirit of accommodation on both sides. As progress is made in that direction, such problems as boycotts, restrictions and homeless refugees will disappear.

Incidentally, there appears to be considerable inaccurate information surrounding the Suez Canal transit question. For example, it is said that American ships are being "barred" from the Canal for having called at Israeli ports. As a matter of fact, not a single American ship has thus far been denied passage through the Canal. Out of a total United States maritime fleet of 498, only 23 ships have been placed on the so-called Arab black-list, because of prior calls at Israeli ports. These 23 are denied entry at Arab ports but there has been no instance of denial of their transit of the Canal.

In this connection you may have read in the press that American labor unions in New York have set up picketing against the United Arab Republic ship *Cleopatra*. The purpose of the picketing is to impel the United Arab Republic to abandon its restrictions against Israel shipping. Unfortunately, this objective is not being served. Asserting their determination to resist such pressures, the Arab countries are establishing counter-picketing against American shipping. This reaction against coercion, which is not unnatural in young emerging states, means in effect that at least 20 American ships with 1,000 seamen aboard will be affected within the next month. It also means that for every Arab ship Americans may boycott some 30 American ships may be subjected to Arab boycott.

As can be seen, outside attempts, no matter how well intentioned, to compel one or more of the Middle Eastern countries to follow a certain behavior have wide repercussions. I might add that while resentments against such pressure in Arab-Israel matters have direct repercussions on our interests in 10 Arab countries from Morocco to the Persian Gulf, the sympathy for these 10 nations is inevitably widespread throughout Africa and Asia. This is a critical juncture in the history of those two continents. Just when the young Afro-Asian nations and particularly the Arab nations appear for the first time to be becoming aware of the fact that the Communists have been falsely posing as patriotic nationalists, it ill behooves us, through an appearance of placing "strings" on our aid, to incur the deep resentment or hostility not only of the 10 Arab nations but of their natural friends, the states of Africa and Asia. In fact, we do not believe it is in Israel's long-range interest that such enmity be aroused and choosing of sides precipitated throughout the Afro-Asian region.

In our view, avoidance of coercive tactics against Israel's neighbors is in Israel's interest. In just over a decade, Israel has quadrupled its exports. Its unfavorable trade balance has steadily been reduced. Israel's Gross National Product per capita is now more than twice that of any of its neighbors and even exceeds that of Netherlands and Italy. While foreign funds from various sources at an average rate of nearly $1,000,000 per day have been partly responsible, primary responsibility for this progress lies with the Israeli people themselves, their ingenuity, industriousness, and devotion to purpose. Parenthetically, I should note that our government has been consistent in its support to Israel. We have extended to Israel with its population of under 2,000,000 a sizeable total of various types of assistance, including PL 480. Such assistance, as you know, is continuing. Conditions have thus far been sufficiently favorable to allow Israel to make great strides. In our view it would be a grave mistake to have that progress disturbed by actions which can only stir up area tensions to Israel's detriment.

As you know, it is the view of our Government that the tensions of the Middle East can more

effectively be treated by concerted international action than by unilateral action on the part of the United States. That was the essence of President Eisenhower's address before the United Nations General Assembly during the fateful Middle East crisis in the Summer of 1958. Such progress as has been recorded since that time has been in large measure due to such international agencies as the United Nations Emergency Force and the United Nations Truce Supervisory Organization. With specific reference to the restrictions on Israel shipping in the Suez Canal, the United Nations Secretary General has actively sought a solution. Although his efforts have not succeeded and have in fact met with a number of setbacks, the Secretary General as recently as April 8 reported his continued interest in the problem and his unextinguished hope that a solution may yet be found. Our Government is giving these endeavors its fullest support.

Although this letter is somewhat lengthy, I hope it will prove helpful to you in facilitating understanding of these important questions. In particular I hope it will make clear the reasons why those of us who deal with these problems on a day-to-day basis feel strongly that no actions should be taken which will exacerbate tensions in the Middle East which are clearly harmful to the long-range interests of the United States, Israel and the entire Free World.

Sincerely yours,

DOUGLAS DILLON
The Acting Secretary

U.S. Restates Principles Affecting Policy Toward Merchant Marine

The Department of State released on May 6 (press release 251) the following exchange of letters between Acting Secretary Dillon and President George Meany of the AFL–CIO.

MR. DILLON TO MR. MEANY

MAY 6, 1960

DEAR MR. MEANY: I have just received your letter of May 5 enclosing the statement recently adopted by the AFL–CIO Executive Council with respect to boycott measures of the Arab League.

With reference to the last paragraph of your letter regarding appropriate action which the Department of State might take under the circumstances, I enclose a statement of basic principles which actuate United States foreign policy affecting the American Merchant Marine.

Sincerely,

DOUGLAS DILLON
Acting Secretary

Mr. GEORGE MEANY,
President, AFL–CIO,
815 16th Street, NW.,
Washington 6, D.C.

STATEMENT OF POLICY

May 6, 1960

1. As a matter of settled policy, the United States supports the principle of freedom of the seas and free access to foreign ports and facilities. The Department has constantly sought to facilitate the normal pursuit of international commerce by vessels of United States registry.

2. The United States Government has long and unequivocally maintained the principle that there should be freedom of transit through the Suez Canal for all nations. This policy has been publicly emphasized on numerous occasions, and was specifically reiterated by the Secretary of State during his address before the United Nations General Assembly on September 17, 1959.[1]

3. The United States Government protests as a matter of policy discriminatory actions or practices with respect to international trade which adversely affect United States firms, vessels and citizens. The Department will continue to pursue, by all appropriate and effective means, every avenue whereby private American interests in international trade may be fully safeguarded, and restored.

4. With respect to Arab trade restrictions arising out of the Arab–Israel conflict, the Department of State reemphasizes that our Government neither recognizes nor condones the Arab boycott which includes the black-listing of United States flag vessels in part because of prior calls at Israeli ports. Every appropriate opportunity will be utilized, on a continuing basis, to reemphasize the fundamental position to the Governments concerned. At the same time, every suitable occasion will be employed both within and outside the United Nations, to facilitate progress towards

[1] BULLETIN of Oct. 5, 1959, p. 467.

solution of the basic Arab–Israel conflict from which the Arab boycott arises.

5. The United States Navy in February 1960 discontinued the use of a clause formerly employed in contracting procedures for the delivery of oil to U.S. naval installations abroad, lest this clause, which was designed to assure the efficient operation of the Fleet, be misconstrued as acquiescence in the Arab boycott. Regarding transportation of PL 480 cargoes, restrictive clauses have in certain instances been included in ship charters by foreign countries which purchase the surpluses in this country and make their own shipping arrangements directly with private carriers. No United States Government agency is a party to these contracts. Consistent with the policy that no United States agency condone the Arab boycott, the Department will continue its efforts to do what it can to end the application of these restrictive clauses with respect to U.S. flag vessels under charter to foreign countries.

6. Regarding treatment of United States citizens abroad, including American seamen, it is of course mandatory on this Department to do everything possible to assure equal treatment and freedom from harassment for all our citizens in foreign countries. United States diplomatic and consular officers have standing instructions to extend every appropriate assistance to our citizens who may encounter difficulties. In several recent instances American seamen experienced difficulties at ports in the United Arab Republic. Our consular officers made every effort to assist the crews of these vessels, and were in fact able to be of material help. The Department has renewed its standing instructions to its consular officers to be on the alert to assist in settling grievances regarding treatment abroad of American seamen or other American citizens which are brought to their attention.

7. As a matter of basic procedure, the Department gives full consideration to all communications from private American groups with respect to problems affecting the conduct of United States foreign relations. In accordance with this procedure, it has been and will continue to be, the intention of the Department of State to give full consideration to all communications from the Seafarers International Union, other affected maritime unions and other interested groups. The Department will consult with the AFL–CIO and its maritime affiliates on future developments affecting American vessels and seamen in the areas concerned.

In the light of the foregoing basic principles and in conformity with the fundamental national interest, the Department gives assurances that it will undertake to investigate fully the grievances of the Seafarers International Union and, through appropriate diplomatic action with the foreign countries involved, to renew its efforts to assure freedom of the seas and to protect the interests of our shipping and seamen now being discriminated against by the Arab boycott and black-listing policy.

MR. MEANY TO MR. DILLO

May 5, 1960

Honorable Douglas Dillon, *Acting Secretary of State*
U.S. Department of State
Washington, D.C.

My Dear Mr. Secretary: I have the honor to transmit to you the resolution[2] adopted by the Executive Council of the AFL–CIO on Wednesday, May 4, pledging full support to the maritime affiliates of the AFL–CIO in their protest against the black-listing of American flagships and the boycott policy being pursued by the Arab boycott organization of the Arab League.

You will note that the resolution further expresses the support by the Executive Council of the AFL–CIO of the direct actions taken by the Seafarers International Union, supported by the International Longshoremen's Association in the New York port.

I have taken the liberty of forwarding the resolution to you for the information of the Department of State and for such action as may be appropriate under the circumstances.

Sincerely,

George Meany
President

ICA Study Group Visits Belgian Congo

Press release 236 dated May 2

An International Cooperation Administration study group consisting of Margaret Joy Tibbetts, Glenn Lehmann, and Joseph St. Lawrence has arrived in Léopoldville at the invitation of the General Executive Council of the Belgian Congo in Léopoldville and the Belgian Government. The study group wishes to acquaint itself with the future problems and needs of an independent

[2] Not printed here.

Congo with a view to studying possible future means, within the limits of available resources, by which U.S. technical assistance could be of value to the Government of the Congo.

At present the U.S. Government, through ICA in agreement with governments concerned, is conducting programs of technical assistance in 13 countries and territories in Africa. Miss Tibbetts, Mr. Lehmann, and Mr. St. Lawrence are serving in Washington with the International Cooperation Administration, the agency of the U.S. Government charged with administering programs of technical assistance.

Iranian Archeological Congress Concludes Meeting

Following are remarks made by Loy W. Henderson, Deputy Under Secretary for Administration, at the closing session of the Fourth Congress of Iranian Art and Archeology at Washington, D.C., on May 3. Mr. Henderson represented President Eisenhower at the Congress.[1]

Press release 242 dated May 4

On behalf of the United States Government it is my privilege to congratulate the organizers and participants of the Fourth Congress of Iranian Art and Archeology as that eventful and memorable Congress comes to a close. Special tribute is due Dr. Pope [Arthur Upham Pope, director of the Fourth Congress], Dr. Kuhnel [Ernst Kuhnel, chairman of the Fourth Congress], and others who have contributed so much to its success.

Delegates from far and near have given generously of their time in preparing for and attending this Congress and in participating in its discussions and deliberations. We are delighted that so many of our friends from abroad have been present, and regret that circumstances have prevented many of the outstanding scholars of Iranian culture from coming. We know that they are with us in spirit.

The American people are honored that the United States was selected as the site for the Fourth Congress. We are proud of our collections of Iranian artistic and archeological treasures and are happy that scholars and artists from various parts of the world have been able to enjoy them with us.

Persian culture with its great richness has for many generations broadened and deepened concepts of beauty throughout the world. Appreciation of man's handiwork like that of nature cannot be confined by national boundaries. The love and understanding of beauty brings pleasure to the hearts and minds of all peoples and serves as a common bond to unite them. This has been amply demonstrated in your warm associations and stimulating exchanges during the past days.

The recent revelation by outstanding scholars, a number of whom have attended this Congress, of some of the secrets hitherto hidden in ancient Persian art forms—in rugs, paintings, and architecture—is giving us a wider comprehension of the grandeur of this ancient civilization and a deeper appreciation of the richness of its heritage to us.

We are all debtors to the scholars in the field of Iranian art and archeology. Through the sharing of concepts of beauty and culture they are making a significant contribution to the promotion of values of brotherhood—to an understanding and tolerance so essential to the preservation of world peace.

I know that I am reflecting the views not only of our Government but also of the American people when I express appreciation in particular of the achievements of the members of this Congress. We wish all of you an agreeable return journey to your homes.

[1] For background, see BULLETIN of May 2, 1960, p. 713.

President Urges Congress To Act on Mutual Security Legislation

On May 3 President Eisenhower sent to the Congress a message[1] *in which he urged action on certain pending legislation. Following is the portion of the message dealing with the Mutual Security Program.*

. . . . .

During most of our Nation's history, our growth was strongly influenced by two unique conditions. First, for more than a century and a half two great oceans protected us from the violent struggles of the Old World. Although in recent years we became engaged in two global wars, our relative isolation gave us months in which to assemble, train, and equip our forces deliberately and unmolested. Second, from the very beginning, our Nation's rapid expansion was encouraged by commercial and financial assistance from the nations of Europe. These countries provided us with valuable skills and the capital needed to accelerate the development of our resources, industries, and commerce.

These conditions have radically changed. America emerged from World War II as the mightiest nation in a free world that, in the main, was exhausted and crippled. Soon thereafter we came to realize that new weapons of great power, speed and range has markedly reduced the value of our ocean shield. Our homeland, in any future major war, would be a prime target, and our warning time against surprise attack would be minutes, not months. Our security cannot now be achieved by methods and a level of effort believed adequate only a few years ago.

In a world, moreover, in which an aggressive ideology drives ceaselessly to destroy human freedom, it is now the United States to which aspiring free peoples, particularly in underdeveloped areas, must look, as America once did to others, for the technical knowledge and financial assistance needed to help them strengthen their economies and protect their independence.

Such changes as these gave rise to our mutual security program, one of the most necessary and successful enterprises America has undertaken throughout her history. Started more than a decade ago, the program helped to save Greece, forestalled economic collapse in Turkey and Western Europe, supported the countries of the SEATO Alliance, sustained the strength and independence of South Korea and the Republic of China, and made real progress, in underdeveloped nations on five continents, in combating disease, poverty, and suffering, and thus has strengthened the resistance of those areas to Communist penetration, propaganda, and subversion. Clear it is that the mutual security program provides the surest path by which America can lead to and sustain a durable peace with justice.

Such a program serves the Nation at large rather than any particular locality, section or group. Only with difficulty, therefore, can its great rewards be measured by individual communities and citizens. It inevitably follows that in the annual contests over the public use of tax revenues, there is a tendency to bypass the needs of this vital security program in favor of domestic projects that, urged by special groups, achieve a measure of support far greater than their overall value to the Nation warrants. Understandable this tendency is, but I deem it a great disservice to America to indulge it. The security of our country obviously demands that our mutual security program be carried forward at an adequate level.

I have asked new appropriations of $4.175 billions for this program for the 1961 fiscal year. Nearly half of this—a sum one-twentieth of our own defense budget—is to assist the military forces of the free world, comprising 5 million soldiers, 2,200 combatant ships, and 30,000 aircraft. I need not remind the Congress of the low cost at which this force for freedom is sustained as compared to the cost of an aircraft carrier, a squadron of jet bombers, or an Army or Marine Corps division in our own defense structure.

[1] H. Doc. 385, 86th Cong., 2d sess.

Of the other parts of the program, one-third is for economic assistance required to help sustain these large forces abroad. The remainder consists of loans, technical assistance, and grants to help underdeveloped nations. These are the funds that spell the difference between hopeless stagnation and progress for hundreds of millions of people who, with us, believe in freedom.

Congressional approval of these funds for mutual security will profoundly benefit our people. To our allies and to others with whom we discuss the great issues of our times, it will signify that a united America has not wearied in the discharge of its responsibilities, and that we are unshakable in our determination to attain a world order in which men are free to pursue their goals in peace. And I emphasize once again that, as we strive to build the kind of world in which America believes, our adversaries are not all included in the single word "communism." They are distress and privation as well, and also the desperation of peoples when they realize that, lacking outside help, they struggle in vain to better their lives. Widespread chaos and misery cannot provide a world climate in which our free Republic can prosper and remain secure. There is for America no higher purpose or greater need than to measure up to her world leadership responsibilities.

I am keenly aware of the contention that, because of an adverse balance of payments and because of certain failures in administration, America should curtail these mutual security efforts. We must, and do, strive for greater efficiency. Likewise, we do have a problem with balance of payments, but the way to meet this is by positive actions which expand exports. Neither difficulty can be met by withdrawing from our responsibilities for world leadership and from partnership in the protection of freedom. We need—in our own interests—greater human progress and economic growth throughout the world. We cannot achieve these by an assault either on mutual security or on liberal trade policies.

I congratulate the Congress for its actions thus far on the funds for mutual security in the authorizing legislation, and I reaffirm the imperative necessity of providing the appropriations that the authorization would allow.

. . . . .

DWIGHT D. EISENHOWER

THE WHITE HOUSE, *May 3, 1960*

Congressional Documents Relating to Foreign Policy

86th Congress, 2d Session

Great Lakes Pilotage. Hearings before the Merchant Marine and Fisheries Subcommittee of the Senate Interstate and Foreign Commerce Committee on S. 3019, a bill to provide for certain pilotage requirements in the navigation of U.S. waters of the Great Lakes and for other purposes. February 23, 1960. 95 pp.

International Development Association. Hearings before the Senate Foreign Relations Committee on S. 3074, to provide for U.S. participation in the IDA. March 18–21, 1960. 122 pp.

Mutual Security Act of 1960. Hearings before the Senate Foreign Relations Committee on S. 3058, to amend further the Mutual Security Act of 1954, as amended. March 22–April 5, 1960. 672 pp.

Annual Report of the Saint Lawrence Seaway Development Corporation. Message from the President, together with the report covering the Corporation's activities for the year ended December 31, 1959. H. Doc. 376. April 11, 1960. 106 pp.

Immigration and Naturalization. Report of the Senate Judiciary Committee made by its Subcommittee on Immigration and Naturalization pursuant to S. Res. 55, as amended and extended, 86th Congress, 1st session, together with supplemental views. S. Rept. 1272. April 14, 1960. 8 pp.

Providing for Promotion of Economic and Social Development in the Ryukyu Islands. Report to accompany H.R. 1157. H. Rept. 1517. April 14, 1960. 22 pp.

Promoting Foreign Trade of United States in Grapes and Plums. Report to accompany S. 1857. S. Rept. 1274. April 19, 1960. 7 pp.

Requiring Rebuilding Work on Domestic Vessels To Be Done Entirely in U.S. Shipyards. Report to accompany S. 3189. S. Rept. 1279. April 19, 1960. 9 pp.

Operations of the Development Loan Fund. Fourteenth report by the House Government Operations Committee. H. Rept. 1526. April 19, 1960. 35 pp.

Pilotage Requirements for Vessels Navigating U.S. Waters of the Great Lakes. Report to accompany S. 3019. S. Rept. 1284. April 21, 1960. 14 pp.

The Mutual Security Act of 1960. Report of the Senate Foreign Relations Committee on S. 3058. S. Rept. 1286. April 22, 1960. 65 pp.

Foreign Commerce Study. Interim report to the Senate Interstate and Foreign Commerce Committee by special staff on the study of U.S. foreign commerce. April 25, 1960. 71 pp. [Committee print]

Extension of Export Control Act of 1949. Report to accompany H.R. 10550. S. Rept. 1287. April 25, 1960. 11 pp.

Law of the Sea Conventions. Report to accompany Ex. J to N, inclusive, 86th Congress, 1st session. S. Ex. Rept. 5. April 27, 1960. 11 pp.

Authorizing the Loan of One Submarine to Canada and the Extension of a Loan of a Naval Vessel to the Government of the Republic of China. Report to accompany H.R. 9465. S. Rept. 1298. April 28, 1960. 4 pp.

Restoration of Freedom to Captive Nations. Report to accompany H. Con. Res. 633. H. Rept. 1562. May 2, 1960. 5 pp.

Suspension of Duties on Metal Scrap. Report to accompany H.R. 11748. H. Rept. 1565. May 2, 1960. 4 pp.

Report to Congress on the Mutual Security Program for the First Half of Fiscal Year 1960. H. Doc. 373. May 2, 1960. 64 pp.

Temporary Suspension of Duty on Certain Amorphous Graphite. Report to accompany H.R. 1217. S. Rept. 1332. May 3, 1960. 3 pp.

Temporary Tariff Treatment of Chicory. Report to accompany H.R. 9308. S. Rept. 1333. May 3, 1960. 4 pp.

North Atlantic Council Holds Ministerial Meeting at Istanbul

The North Atlantic Council held its spring Ministerial Meeting at Istanbul May 2–4. Following are texts of a message from President Eisenhower which was read by Secretary Herter at the opening session on May 2, a final communique issued on May 4, and statements made by Secretary Herter upon his arrival at Istanbul on April 30, at the conclusion of the meeting on May 4, and upon his return to Washington on May 6, together with a list of the members of the U.S. delegation.

MESSAGE FROM PRESIDENT EISENHOWER

As the NATO Ministerial Council convenes for its twenty-fifth session since NATO's founding, I should like to recall its original purpose, to emphasize once more its continuing necessity, and to define anew its challenging tasks.

Eleven years ago our nations joined in a solemn pact of interdependence. We recognized that only by cooperating as free peoples, subjecting our individual preference to the common interest, could we ward off threatening danger. For the threat was real and immediate.

For my own country, the decision to join such a pact was epochal. We overcame our historic aversion to permanent alliances and, in important facets, agreed to merge our destiny with that of other free and like-minded nations of the Atlantic area. This decision has been ratified by the overwhelming approval of the American people of whatever party or political faith. It has grown into the strongest peace-time coalition in all history. It has come to have a meaning for its members far transcending the initial crisis which gave it birth.

In two weeks, I shall meet at Paris, together with other Western leaders, with the Premier of the USSR.

We approach these Paris talks with a sincere desire to do all possible to reduce the tensions and dangers that now exist. Yet we cannot reasonably anticipate any quick or spectacular results. This meeting will be one more in what may prove a long succession of diplomatic exchanges dealing with some of the most difficult problems of our era. These are not susceptible to early solution. We can, at best, hope to make some modest progress towards our goals.

In this period of prolonged negotiation, I hope that all the NATO governments and their peoples will redouble efforts toward maintaining our strength, unity, and firmness of purpose.

We can negotiate successfully only if we are resolute and united, and if that resolution and unity are manifest to the Soviets. Any evidence of weakness or division among ourselves can only undermine our diplomacy and diminish its effectiveness.

If our negotiations with the Soviets do not prosper, we will have even more reason to look to our combined NATO forces as our greatest insurance against aggression.

If these negotiations do create some hope of reducing the risk of hostility, our efforts to enhance NATO's material and moral strength and cohesion will be the more needed—in order to meet the challenge of intensifying competition with the Communists throughout the world.

It is thus apparent today, even more than when our NATO treaty was signed, that our alliance is responsive to vital and enduring needs—a permanent community of free peoples, menacing no one, concerting its efforts only to advance the common good, evolving to deal ever more effectively with the problems and opportunities of the new decade.

To meet these problems and opportunities, Secretary Herter proposed at your Ministerial meet-

ing last December[1] that NATO engage in long-range planning for the 1960's. We are making intensive preparations for effective United States participation in this planning, as I trust that all of you are doing. To move toward our common goals will demand the concerted planning and consecrated effort of all our nations.

As one who has been closely associated with NATO since its beginning, I realize fully the differences of approach that are inevitable in any alliance of free nations. Yet our potential strength is the greater because we *are* free. To realize this fact, we have only to contrast our essentially trivial differences with the common stake and opportunities that we have in freedom. No dictatorship can hope to generate the power, both material and moral, which free peoples acting in unison can wield.

To mobilize this power, we must dedicate ourselves anew to the task of uniting and strengthening our NATO community so that it can effectively meet the challenges not only of the months but of the decades which lie ahead.

DWIGHT D. EISENHOWER

TEXT OF COMMUNIQUE

Press release 243 dated May 4

The North Atlantic Council held its spring ministerial meeting in Istanbul from May 2nd–4th.

The Council took stock of the situation on the eve of the Summit Meeting. The results of its exchange of views may be summarized as follows:

(A) The Council welcomes the prospect of negotiations with the Soviet Union, and hopes that they will lead to improved international relations. The unity of the Alliance is a condition of progress towards this end.

(B) All members of the Alliance share the aim of general and complete disarmament, to be achieved by stages under effective international control, and support the proposals of the Western negotiators at Geneva to this end. These proposals in their view provide the best means of carrying out the United Nations Resolution of 20th November, 1959;[2] they regret the unwillingness which the Soviet side has so far shown to discuss specific practical measures of disarmament.

(C) While desiring a true international detente, the Atlantic Alliance cannot be satisfied with a formula of "peaceful coexistence" under cover of which attacks continue to be made on individual members of the Alliance. Detente, like peace, is indivisible. Thus, the efforts of Soviet propaganda to discredit the Federal Republic of Germany and the governments of certain other NATO countries are inimical to the Alliance as a whole and inconsistent with a real improvement of international relations.

(D) The Council reaffirms the view that the solution of the problem of Germany can only be found in reunification on the basis of self-determination. It recalls its Declaration of 16th December, 1958,[3] and once again expresses its determination to protect the freedom of the people of West Berlin.

The Council heard reports on the topics likely to be discussed at the Summit Meeting. After a full discussion, it expressed its entire agreement with the common positions of the United States, France and the United Kingdom as worked out in consultation with their Allies. It expressed its satisfaction with the system of continuous consultation between all members of the Alliance which has been developed.

The Council also examined the Secretary General's report on the working of the Alliance. It welcomed the progress accomplished in various fields and reaffirmed its determination to continue its efforts in the field of political and economic cooperation and solidarity which is so necessary for the maintenance of peace and defense of freedom.

All members of the Council reaffirmed their faith in NATO and welcomed the emphasis given in President Eisenhower's message to the long term planning of the Alliance.

STATEMENTS BY SECRETARY HERTER

Arrival Statement, Istanbul, April 30

Press release 231 dated April 30

I am glad to be in Turkey. The people of this great republic play a valiant role in the defense of the rich traditions which have shaped our civi

[1] For Secretary Herter's arrival statement and communiques issued on Dec. 17 and Dec. 22, 1959, see BULLETIN of Jan. 4, 1960, p. 3, and Jan. 11, 1960, p. 44.

[2] U.N. doc. A/RES/1738(XIV) (A/C. 1/L.234); for text, see *ibid.*, Nov. 23, 1959, p. 766.

[3] For text, see *ibid.*, Jan. 5, 1959, p. 4.

lization. We in America are proud to be associated with you in this common cause.

Within the councils of NATO we seek the frank and honest advice of one another on the issues we face together in the defense of our freedom and in the quest for a just, lasting, and honorable peace. Here in Istanbul next week, we will seek the benefit of that advice, particularly with regard to the summit meeting in Paris on May 16.

We, for our part, look ahead to the Paris meeting with a sense of realism born of experience. We hope for progress but hold no illusions. For our ultimate objective goes beyond the mere maintenance of the long-familiar uneasy state of conflict recently disguised under slogans of "peaceful coexistence." What we seek is a positive state of well-being in which men can pursue their rightful aspirations in freedom and in peace.

At best the road to this goal will be long and difficult. Today, the sense of crisis appears less imminent than a year ago. But for us to confuse now or in the future the appearance of relaxation in tension with real progress toward solutions of international issues would be a disservice to the cause of peace.

We in NATO must, therefore, continue to strengthen the ties that bind us. We must continue to build the collective strength of our defenses. This is the only sound course for us to follow. We have done so in the past. I am confident we shall do so in the future.

Statement at Conclusion of Meeting, May 4

Press release 241 dated May 4

I wish to express my deep gratitude for the hospitality extended by the Government of Turkey and the courtesy shown us by the people of Istanbul.

Ours has been a significant meeting. It has shown once again the extraordinary unity existing among the 15 free and independent members of NATO. I am heartened and encouraged by this fact.

I have benefited immeasurably from the advice freely and honestly given by our friends, particularly in regard to the summit meeting on May 16.

The United States will go to that meeting fully aware that the process of resolving the many outstanding problems will be protracted. It will require much patience. It may well take many forms. It is therefore particularly important that we in NATO not only maintain but improve our unity and the collective strength of our defenses.

Both patience and determination on our part are not all that is required. The Soviet Government has to come to the realization that the determination of free men to safeguard their freedom cannot be subdued. It must also understand that the people of the world want and deserve more than a struggle for domination under the guise of what they have chosen to call "peaceful coexistence." If the forthcoming meeting demonstrates that the Soviet Union now understands these basic facts, we should be able to make a start toward the solution of some of our major problems.

Arrival Statement, Washington, May 6

Press release 252 dated May 6

I return from the Foreign Ministers Conferences of the Central Treaty Organization (CENTO) held in Tehran[4] and the North Atlantic Treaty Organization (NATO) held in Istanbul. On the return route 1 day was spent in Athens for fruitful discussions with Greek officials and a pleasant visit with Their Gracious Majesties the King and Queen of Greece.

Both the NATO and CENTO conferences were eminently successful. They afforded opportunities for thorough exchanges of views on specific problems and tasks relating to the alliances themselves and on the international situation generally, with particular reference to the forthcoming summit meeting in Paris.

Marked unity was demonstrated at both conferences. All participants were determined to maintain strong defenses until the hoped-for day when general and complete disarmament and international arrangements for keeping the peace can be achieved.

The CENTO and NATO conferences gave their approval to the Western approaches to the summit. While welcoming the constructive nature of the Western positions, the Ministers agreed that exaggerated hopes for agreement should not be entertained.

A significant outcome of the discussions was the unanimous agreement that a *détente*, though welcome, cannot be a true *détente* while the Soviet

[4] *Ibid.*, May 16, 1960, p. 801.

Union continues its attacks on some members of the alliance and seeks to sow dissension between them. To echo the words of the NATO communique, *détente*, like peace, is indivisible.

U.S. DELEGATION

The Department of State announced on April 25 (press release 212) that the following are the principal members of the U.S. delegation to the ministerial meeting of the North Atlantic Council held at Istanbul from May 2 to 4, 1960.

U.S. Representative

Secretary of State Christian A. Herter

U.S. Permanent Representative to the North Atlantic Council and European Regional Organizations

Ambassador W. Randolph Burgess

Senior Advisers

Livingston T. Merchant, Under Secretary of State for Political Affairs

Theodore C. Achilles, Counselor of the Department of State

Andrew H. Berding, Assistant Secretary of State for Public Affairs

Philip J. Farley, Special Assistant to the Secretary of State for Disarmament and Atomic Energy

John N. Irwin II, Assistant Secretary of Defense for International Security Affairs

G. Lewis Jones, Assistant Secretary of State for Near Eastern and South Asian Affairs

Foy D. Kohler, Assistant Secretary of State for European Affairs

Frederick E. Nolting, Jr., Alternate U.S. Permanent Representative to the North Atlantic Council

Gerard C. Smith, Assistant Secretary of State for Policy Planning

Fletcher Warren, Ambassador to Turkey

President Names U.S. Members of Shrimp Commission

The White House (Augusta, Ga.) announced on April 20 that the President had on that date appointed the following to be members of the U.S. section of the Commission for the Conservation of Shrimp in the Eastern Gulf of Mexico:[1]

John C. Ferguson

Robert M. Ingle

Donald L. McKernan, Director, Bureau of Commercial Fisheries, Department of the Interior

[1] Established pursuant to a convention with Cuba signed on Aug. 15, 1958; for text, see BULLETIN of Apr. 20, 1959, p. 566.

United States Delegations to International Conferences

13th World Health Assembly

The Department of State announced on Apr 29 (press release 229) that the President has de ignated Arthur S. Flemming, Secretary of Healt Education, and Welfare, as chairman of the U.S delegation to the 13th World Health Assembl which is scheduled to convene at Geneva o May 3.

The President also designated Dr. Leroy I Burney, Surgeon General, Public Health Servic Department of Health, Education, and Welfar and Horace E. Henderson, Deputy Assistant Se retary of State for International Organizatic Affairs, as delegates and the following as alterna delegates:

Frank B. Berry, M.D., Assistant Secretary of Defen (Health and Medical)

Lowell T. Coggeshall, M.D., Dean, Division of Biologic Sciences, University of Chicago

H. van Zile Hyde, M.D., Assistant to the Surgeon G eral for International Health, Public Health Servi Department of Health, Education, and Welfare

Richard K. C. Lee, M.D., President, Board of Heal State of Hawaii

Other members of the delegation include:

Advisers

Guillermo Arbona, M.D., Secretary of Health of the Co monwealth of Puerto Rico

Eugene P. Campbell, M.D., Chief, Public Health Di sion, International Cooperation Administration

Geoffrey Edsall, M.D., Director of Immunology Divisi Army Medical Service, Graduate School, Walter R Army Medical Center, Washington, D.C.

E. Ross Jenney, M.D., Assistant Chief, Division of Int national Health, Public Health Service, Department Health, Education, and Welfare

Berwyn Mattison, M.D., Executive Secretary, Ameri Public Health Association

Cleon A. Nafe, M.D., Associate Professor of Surgery, diana University Medical School

Christopher Parnall, Jr., M.D., Administrator, Roche General Hospital, Rochester, N.Y.

M. Allen Pond, Office of the Special Assistant for He and Medical Affairs, Department of Health, Educat and Welfare

Edward J. Rowell, American Consulate General, Gen Switzerland

William Thomas Sowder, M.D., Florida State He Officer

Lawrence R. Wyatt, Office of International Economic Social Affairs, Department of State

Secretary of Delegation

David B. Ortman, Office of International Conferen Department of State

TREATY INFORMATION

'emporary Waiver of Some Provisions n U.S.-Iran Trade Agreement

ress release 218 dated April 27

EPARTMENT ANNOUNCEMENT

On April 12, 1960, the U.S. Government, rough the American Embassy at Tehran, exanged notes with the Government of Iran in hich the Government of the United States agreed ot to invoke article VI of the United States-Iran eciprocal Trade Agreement of 1943 [1] with respect the temporary imposition by Iran of commeral profits taxes on certain products on which Iran ad given tariff concessions to the United States in e agreement. The Government of Iran had reested U.S. agreement to these taxes because of an's balance-of-payments problem. The exange of notes covers a period not to exceed 6 onths immediately following the date of the exange. The original agreement was signed on pril 8, 1943.

Under the terms of the notes, the taxes in queson shall not be imposed on products of the nited States at rates higher than those at which ey are imposed on products of any third couny. In no case shall the combined duty and comercial profits taxes exceed the ad valorem rate ecified for the respective products in the notes. The text of the U.S. note is attached. The anian reply is identical in substance.

EXT OF U.S. NOTE

DEAR MR. MINISTER: I refer to recent discussions with spect to the serious balance of payments situation cononting Iran. It is my understanding that these discusons have resulted in the following agreement:

1. The Government of Iran considers it necessary during the next six months temporarily to impose its commercial profits taxes on the importation of the following products of the United States provided for in Schedule I to the Trade Agreement between the United States and Iran, signed April 8, 1943, but in no case shall the combined duty and commercial profits taxes, or the ad valorem equivalent of such combined duty and taxes in cases in which a specific rate is involved, exceed the ad valorem rate specified for the respective products:

Tariff Number	*Description*	*Rate*
868 B	Radio receiving sets, including phonographs	
	1. Up to 5,000 rials ($65)	25 percent
	5,000–10,000 rials ($65–$130)	50 percent
	More than 10,000 rials ($130)	75 percent
868 D	Television receivers	
	Up to 20,000 rials ($261)	25 percent
	20,000 rials or more	50 percent
890 A	Passenger cars including sport models	
	Up to 200,000 rials ($2614)	35 percent
	200,000–300,000 rials ($2614–$3921)	50 percent
	300,000 ($3921) or more	75 percent

2. Such commercial profits taxes shall not be imposed on products of the United States at rates higher than those at which these taxes are imposed on products of any third country.
3. In view of the serious balance of payments situation of Iran the Government of the United States, during the period of six months immediately following the date of this note, will not invoke the provisions of Article VI of the Trade Agreement in respect of the commercial profit taxes specified above.

The Government of the United States of America will consider that this note, together with your note in reply, indicating concurrence of the Government of Iran in respect to the matter set forth above, constitute an agreement between the Government of the United States of America and the Government of Iran to enter into force on the date of your reply note.

Sincerely yours,

EDWARD T. WAILES

His Excellency
HASSAN ALI MANSUR,
Minister of Commerce,
Ministry of Commerce,
Tehran.

[1] 58 Stat. 1322.

Current Actions

MULTILATERAL

Cultural Relations

Agreement on the importation of educational, scientific, and cultural materials, and protocol. Done at Lake Success November 22, 1950. Entered into force May 21, 1952.[1]
Acceptance deposited: Denmark, April 5, 1960.

Shipping

Convention on the Intergovernmental Maritime Consulta-

[1] Not in force for the United States.

tive Organization. Signed at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044.
Acceptance deposited: Bulgaria, April 5, 1960.

Telecommunications

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1952 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960. TIAS 4390.
Notification of approval: Laos, March 21, 1960.

Radio regulations, with appendixes, annexed to the international telecommunication convention, 1959. Done at Geneva December 21, 1959.[2]
Notification of approval: Iran, March 14, 1960.

BILATERAL

India

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U.S.C. 1701–1709), with exchange of notes. Signed at Washington May 4, 1960. Entered into force May 4, 1960.

Iran

Agreement providing that the United States will not invoke article VI of reciprocal trade agreement of 1943 (58 Stat. 1322) with respect to temporary imposition by Iran of commercial profits taxes on certain products. Effected by exchange of notes at Tehran April 12, 1960. Entered into force April 12, 1960.

Japan

Agreement relating to a program for the assembly and manufacture in Japan of F–104 type aircraft by Japanese industry. Effected by exchange of notes at Tokyo April 15, 1960. Entered into force April 15, 1960.

Turkey

Agreement amending the agreement of December 27, 1949, as amended (TIAS 2111 and 3737), for the establishment of the U.S. Educational Commission in Turkey. Effected by exchange of notes at Ankara February 1, 1960. Entered into force February 1, 1960.

DEPARTMENT AND FOREIGN SERVICE

Organization of Bureau of Educational and Cultural Affairs[1]

Department circular 355 dated April 26

1. *Purpose*

The purposes of this circular are (1) to announce the reorganization of the Bureau of International Cultural Relations and its redesignation as the Bureau of Educational and Cultural Affairs, and (2) to establish components of the new organization.

[2] Not in force.
[1] Department circular 329 dated June 15, 1959, is canceled.

2. *Background*

The Bureau of International Cultural Relations w established, effective June 1, 1959, in recognition of t need for greater emphasis on the international cultur relations of the United States. The Special Assistant the Secretary for the Coordination of International Ed cational and Cultural Relations heads the Bureau. I is responsible for the coordination of the wide variety international cultural activities which are conducted the several Government agencies and for the direction the cultural programs of the Department. Experien since the establishment of the Bureau has revealed t advisability of modifying the organizational structure t (1) give greater importance to the function of plann and developing the educational exchange and cultur programs of the Department; (2) make more manageab the heavy burden of operational responsibilities; and (provide the Special Assistant with a means to accompli the two related but separate responsibilities of coordin tion and direction of operations.

3. *Organizational Changes*

3.1 Effective with the pay period beginning April 1 1960, the Bureau of International Cultural Relations (C is reorganized and renamed the Bureau of Education and Cultural Affairs (CU).

3.2 Within the Bureau of Educational and Cultu Affairs, the following changes are made:

a. The "Policy and Coordination Staff", the "Plans a Development Staff", "Office of Cultural Exchange" a the "Office of Educational Exchange" are established.

b. The "Executive and Reports Staff" replaces t Executive Staff and the Program Reporting Staff.

c. The UNESCO [United Nations Educational, Scie tific and Cultural Organization] Relations Staff is red ignated "Secretariat–United States National Commissi for UNESCO".

d. The Cultural Policy and Development Staff, t Cultural Presentations Staff and the International Ed cational Exchange Service are abolished.

3.3 The East-West Contacts Program and Staff w be transferred to the Bureau of European Affairs. C will retain responsibility for approval of the performanc of American groups touring under the President's Spec International Program and for programming and sel tion of American and Soviet students exchanged wi the Soviet Union under terms of the U.S.–USSR E change Agreement as well as student exchanges with t other Eastern European nations.

4. *Designation*

Mr. Robert H. Thayer continues as head of the Bure of Educational and Cultural Affairs. Mr. Saxton Br ford will continue to serve as Deputy and will dir the operating programs of the Bureau under the sup vision of the Special Assistant.

5. *Functions*

5.1 *Office of the Special Assistant to the Secreta for the Coordination of International Educational a Cultural Relations*

a. Develops United States Government policy on, a

oordinates, all international cultural, educational and xchange of persons activities and the cultural aspects f training programs for foreign nationals.

b. Directs the Department's cultural and educational xchange programs.

5.11 *Policy and Coordination Staff*

Serves as the body which assists the Special Assistant ı the coordination aspects of the Bureau's functions; ıaintains liaison and consults with other Government gencies and with private foundations and other non-overnment groups; provides advice and guidance in ıe establishment of priorities and other program con-iderations and information on plans and program ctivities both Governmental and private in the educa-onal and cultural field.

5.12 *Secretariat of the U.S. Advisory Commission on 'ducational Exchange and the Advisory Committee on 'e Arts*

Provides such staff functions as are necessary to enable ıe Advisory Commission and the Advisory Committee) fulfill their respective responsibilities as provided by ıw.

5.13 *Secretariat–United States National Commission ɔr UNESCO*

a. In consultation with the Plans and Development taff, the National Commission and the Bureau of Inter-ational Organization Affairs, develops policies governing ıbstantive U.S. participation in the UNESCO program.

b. Coordinates activities incident to the participation of ıe United States in UNESCO.

c. Provides staff functions for the National Commission ıcluding services for its meetings, conference and travel rrangements.

5.14 *Executive and Reports Staff*

Provides executive leadership and direction, and ad-inisters the organization, budget and fiscal, security, ersonnel and administrative activities of the Bureau. ssues all reports of the Bureau, including those re-ıired by legislation. Provides a clearing house of in-ɔrmation involving the collection of information and ·eparation of reports about all Government and private ·tivities in the international educational and cultural elds.

a. Financial Management Branch
b. Reports Branch
c. Organization and Procedures Branch
d. Administrative and Personnel Branch

5.2 *Plans and Development Staff*

a. Plans are prepared by geographic area planning ficers for the Department's educational and cultural ac-vities, including exchange of persons, cultural presenta-ɔns, multilateral cultural activities, cultural agreements ıd conventions, etc., and for the Department's assistance private activities in this field. Develops a total educa-ɔnal and cultural program for each country and for gional cultural programs including those for OAS ɔrganization of American States], NATO [North Atlan-ɛ Treaty Organization], SEATO [Southeast Asia Treaty ·ganization], CENTO [Central Treaty Organization], etc., taking into consideration the recommendations of overseas missions. Obtains political guidance from the geographic bureaus and program information from other elements of CU as a basis for planning.

b. Advisers in the Office of the Director (1) assemble information on the extent of educational and cultural resources within the United States and advise on the manner in which those resources are to be taken into account in planning the Department's educational and cultural activities, and (2) ensure an appropriate relationship between over-all U.S. cultural interests and programs and U.S. participation in UNESCO and other multilateral cultural programs in collaboration with the Secretariat–U.S. National Commission for UNESCO.

c. The "Evaluation Branch" acquires, interprets and evaluates information on educational and cultural programs on a country-by-country basis for the purpose of appraising progress and effectiveness and giving guidance in formulating policies and plans.

5.3 *Office of Educational Exchange*

Conducts, directly and by agreement or contract with public or private agencies, activities in the educational and cultural field which are academic in nature and involve programs for bringing selected persons from other countries to the United States for study, teaching, and research and for sending selected Americans abroad for similar purposes; administers a program to provide facilitative assistance to interchanges of privately financed individuals and groups.

5.31 *Operations Staff of the Board of Foreign Scholarships*

Provides such staff functions as are necessary to enable the Board of Foreign Scholarships to fulfill its responsibilities under Public Law 584, 79th Congress.

5.32 *Student Division*

Directs the exchange of persons programs which bring foreign nationals to the United States for study in American educational institutions and which send Americans abroad for study in foreign educational institutions.

a. American Branch
b. Foreign Branch

5.33 *Professional Division*

Directs (1) the exchange of persons programs which bring foreign professional educators and scholars at the university level to lecture or to undertake research in the United States and instructors at the elementary and secondary school level to teach, and (2) programs which send the same type of American professional people abroad for these purposes; directs the establishment of Chairs in American Studies in foreign institutions as well as Seminars in American Studies overseas.

a. Lecturers and Research Scholars Branch
b. Teachers Branch

5.4 *Office of Cultural Exchange*

Conducts, directly and by agreement or contract with public or private agencies, activities in the educational and cultural field other than those of an academic nature; conducts programs for bringing key persons from

other countries to the United States for travel, observation and specialized practical experience, and for sending carefully selected Americans abroad for similar purposes; sends American performing artists and athletic groups overseas under terms of the International Cultural Exchange and Trade Fair Participation Act of 1956, Public Law 860; administers a program for grants and professional services to American-sponsored schools in Latin America and assists American-sponsored schools in other areas of the world; and aids non-United States Government organizations, institutions and individuals here and abroad in undertaking exchange projects of their own which can further the national interest.

5.41 *Presentations Division*

Administers the program which sends abroad on tour American artists, athletes, lecturers, instructors and demonstrators of American cultural achievement, as individuals or groups.

a. Performing Artists Branch
b. American Specialists Branch

5.42 *Leaders and Specialists Division*

Directs exchange of persons programs for bringing foreign leaders of thought and opinion to the United States for programs of travel and observation and consultation and for bringing to the United States foreign specialists to participate under planned programs of practical experience; facilitates selected privately financed and sponsored exchange projects for eminent individuals or groups from other countries and similar projects abroad for Americans; supervises the operation of the Department's Reception Centers.

a. Leaders Branch
b. Foreign Specialists Branch
c. Voluntary Leaders Branch

5.43 *Special Projects Division*

Conducts activities in the areas of grantee orientation, follow-up programs, English language testing and teaching, and assistance on special program matters; administers programs to provide financial assistance, in part or in whole, to students and youth leaders on short-term educational travel interchanges; and administers the program of aid to American-sponsored schools abroad.

a. American-Sponsored Schools Branch
b. Facilitative Services Branch
c. Education Travel Branch
d. Special Activities Branch

6. *Amendments to the Organization Manual, Regulations and Delegations of Authority*

The Organization Manual, regulations and delegations of authority in the Department of State are being amended to reflect the changes incident to the reorganization herein above provided.

Check List of Department of State Press Releases: May 2–8

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases issued prior to May 2 which appear in this issue of the BULLETIN are Nos. 207 of April 22, 212 of April 25, 218 of April 27, 226 of April 28, 229 of April 29, and 231 of April 30.

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233	5/2	Disarmament conference documents and transcripts.
234	5/2	Aid to Afghanistan in acquiring DC-6.
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236	5/2	ICA study group visits Belgian Congo.
*237	5/2	Revisions in program for visit of King of Nepal.
238	5/3	Herter: Mesage on Japanese centennial.
*239	5/3	Cultural exchange (Latin America).
†240	5/4	Herter: P.L. 480 agreement with India.
241	5/4	Herter: NATO Ministerial meeting.
242	5/4	Henderson: Iranian Archeological Congress.
243	5/4	NATO Ministerial meeting communique.
†244	5/5	Mann: "Sino-Soviet Bloc Trade and Its Implications for the United States."
*245	5/5	Bennett appointed ICA regional director for Near East and South Asia (biographic details).
†246	5/5	Penfield: "Africa: A New Situation Requiring New Responses."
247	5/5	Meeting of the National Advisory Committee on Inter-American Affairs (rewrite).
†248	5/6	Rubottom: "The Growing Importance of Educational Exchange in the American Republics."
249	5/6	U.S. note on plane shot down in Soviet Union.
*250	5/6	Cultural exchange (Chile).
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* Not printed.
† Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

Bulletin

Vol. XLII, No. 1092 • Publication 7002

May 30, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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U.S. States Position on U-2 Incident

Following is a statement read by President Eisenhower at his press conference on May 11, together with the texts of U.S. notes of May 10 and 12 and a Soviet note of May 10.

STATEMENT BY PRESIDENT EISENHOWER

White House press release dated May 11

I have made some notes from which I want to talk to you about this U-2 incident.

A full statement about this matter has been made by the State Department,[1] and there have been several statesmanlike remarks by leaders of both parties.

For my part, I supplement what the Secretary of State has had to say with the following four main points. After that, I shall have nothing further to say—for the simple reason I can think of nothing to add that might be useful at this time.

First point is this: the need for intelligence-gathering activities.

No one wants another Pearl Harbor. This means that we must have knowledge of military forces and preparations around the world, especially those capable of massive surprise attack.

Secrecy in the Soviet Union makes this essential. In most of the world no large-scale attack could be prepared in secret. But in the Soviet Union there is a fetish of secrecy and concealment. This is a major cause of international tension and uneasiness today. Our deterrent must never be placed in jeopardy. The safety of the whole free world demands this.

As the Secretary of State pointed out in his recent statement, ever since the beginning of my administration I have issued directives to gather, in every feasible way, the information required to protect the United States and the free world against surprise attack and to enable them to make effective preparations for defense.

My second point: the nature of intelligence-gathering activities.

These have a special and secret character. They are, so to speak, "below the surface" activities.

They are secret because they must circumvent measures designed by other countries to protect secrecy of military preparations.

They are divorced from the regular, visible agencies of government, which stay clear of operational involvement in specific detailed activities.

These elements operate under broad directives to seek and gather intelligence short of the use of force, with operations supervised by responsible officials within this area of secret activities.

We do not use our Army, Navy, or Air Force for this purpose, first, to avoid any possibility of the use of force in connection with these activities and, second, because our military forces, for obvious reasons, cannot be given latitude under broad directives but must be kept under strict control in every detail.

These activities have their own rules and methods of concealment, which seek to mislead and obscure—just as in the Soviet allegations there are many discrepancies. For example, there is some reason to believe that the plane in question was not shot down at high altitude. The normal agencies of our Government are unaware of these specific activities or of the special efforts to conceal them.

Third point: How should we view all of this activity?

It is a distasteful but vital necessity.

We prefer and work for a different kind of world—and a different way of obtaining the information essential to confidence and effective de-

[1] BULLETIN of May 23, 1960, p. 816.

terrence. Open societies, in the day of present weapons, are the only answer.

This was the reason for my open-skies proposal in 1955,[2] which I was ready instantly to put into effect, to permit aerial observation over the United States and the Soviet Union which would assure that no surprise attack was being prepared against anyone. I shall bring up the open-skies proposal again at Paris, since it is a means of ending concealment and suspicion.

My final point is that we must not be distracted from the real issues of the day by what is an incident or a symptom of the world situation today.

This incident has been given great propaganda exploitation. The emphasis given to a flight of an unarmed, nonmilitary plane can only reflect a fetish of secrecy.

The real issues are the ones we will be working on at the summit—disarmament, search for solutions affecting Germany and Berlin, and the whole range of East-West relations, including the reduction of secrecy and suspicion.

Frankly, I am hopeful that we may make progress on these great issues. This is what we mean when we speak of "working for peace."

And, as I remind you, I will have nothing further to say about this matter.

TEXTS OF NOTES

U.S. Note of May 10[3]

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics and has the honor to refer to public statements of the Soviet Government indicating that an American civilian, Francis Gary Powers, is under detention in Moscow. The Embassy requests that an officer of the Embassy be permitted to interview Mr. Powers.

U.S. Note of May 12[4]

Press release 262 dated May 12

The Embassy of the United States of America refers to the Soviet Government's note of May 10 concerning the shooting down of an American unarmed civilian aircraft on May 1, and under instruction from its Government, has the honor to state the following.

The United States Government, in the statement issued by the Department of State on May 9, has fully stated its position with respect to this incident.

In its note the Soviet Government has stated that the collection of intelligence about the Soviet Union by American aircraft is a "calculated policy" of the United States. The United States Government does not deny that it has pursued such a policy for purely defensive purposes. What it emphatically does deny is that this policy has any aggressive intent, or that the unarmed U-2 flight of May 1 was undertaken in an effort to prejudice the success of the forthcoming meeting of the Heads of Government in Paris or to "return the state of American-Soviet relations to the worst times of the cold war". Indeed, it is the Soviet Government's treatment of this case which, if anything, may raise questions about its intentions in respect to these matters.

For its part, the United States Government will participate in the Paris meeting on May 16 prepared to cooperate to the fullest extent in seeking agreements designed to reduce tensions, including effective safeguards against surprise attack which would make unnecessary issues of this kind

Soviet Note of May 10[5]

Unofficial translation

39/OSA

The Government of the Union of Soviet Socialist Republics considers it necessary to state the following to the Government of the United States of America:

On May 1 of this year at 5 hours 36 minutes, Moscow time, a military aircraft violated the boundary of the Union of Soviet Socialist Republics and intruded across the borders of the Soviet Union for a distance of more than 2,000 kilometers. The Government of the Union of Soviet Socialist Republics naturally could not leave unpunished such a flagrant violation of Soviet state boundaries. When the intentions of the violating aircraft became apparent, it was shot down by Soviet rocket troops in the area of Sverdlovsk.

Upon examination by experts of all data at the disposal of the Soviet side, it was incontrovertibly established that the intruder aircraft belonged to the United States of America, was permanently based in Turkey and was

[2] *Ibid.*, Aug. 1, 1955, p. 173.

[3] Delivered to the Soviet Ministry of Foreign Affairs on May 10 by the American Embassy at Moscow.

[4] Delivered to the Soviet Ministry of Foreign Affairs on May 12 by the American Embassy at Moscow.

[5] Delivered to the American Embassy at Moscow on May 10 by the Soviet Ministry of Foreign Affairs.

sent through Pakistan into the Soviet Union with hostile purposes.

As Chairman of the U.S.S.R. Council of Ministers N. S. Khrushchev made public on May 7 at the final session of the U.S.S.R. Supreme Soviet, exact data from the investigation leave no doubts with respect to the purpose of the flight of the American aircraft which violated the U.S.S.R. border on May 1. This aircraft was specially equipped for reconnaissance and diversionary flight over the territory of the Soviet Union. It had on board apparatus for aerial photography for detecting the Soviet radar network and other special radio-technical equipment which form part of U.S.S.R. anti-aircraft defenses. At the disposal of the Soviet expert commission which carried out the investigation, there is indisputable proof of the espionage-reconnaissance mission of the American aircraft: films of Soviet defense and industrial establishments, a tape recording of signals of Soviet radar stations and other data.

Pilot Powers, about whose fate the Embassy of the United States of America inquired in its note of May 6,[6] is alive and, as indicated in the aforementioned speech of Chairman of the U.S.S.R. Council of Ministers N. S. Khrushchev, will be brought to account under the laws of the Soviet state. The pilot has indicated that he did everything in full accordance with the assignment given him. On the flight map taken from him there was clearly and accurately marked the entire route he was assigned after takeoff from the city of Adana (Turkey): Peshawar (Pakistan)–the Ural Sea–Sverdlovsk–Archangel–Murmansk, followed by a landing at the Norwegian airfield at Bude. The pilot has also stated that he served in subunit number 10–10 which under cover of the National Aeronautics and Space Administration is engaged in high altitude military reconnaissance.

This and other information revealed in speeches of the head of the Soviet Government completely refuted the U.S. State Department's concocted and hurriedly fabricated version, released May 5 in the official announcement for the press, to the effect that the aircraft was allegedly carrying out meteorological observations in the upper strata of the atmosphere along the Turkish-Soviet border.

After the complete absurdity of the aforementioned version had been shown and it had been incontrovertibly proven that the American aircraft intruded across the borders of the Soviet Union for aggressive reconnaissance purposes, a new announcement was made by the U.S. State Department on May 7 which contained the forced admission that the aircraft was sent into the Soviet Union for military reconnaissance purposes and, by that very fact, it was admitted that the flight was pursuing aggressive purposes.

In this way, after two days, the State Department already had to deny the version which obviously had been intended to mislead world public opinion as well as American public opinion itself.

The State Department considered it appropriate to refer in its announcement to the "open skies" proposal made by the Government of the United States of America in 1955 and to the refusal of the Soviet Government to accept this proposal. Yes, the Soviet Government, like the governments of many other states, refused to accept this proposal which was intended to throw open the doors of other nations to American reconnaissance. The activities of American aviation only confirm the correctness of the evaluation given to this proposal at the time by the Soviet Government.

Does this not mean that, with the refusal of a number of states to accept this proposal for "open skies", the United States of America is attempting arbitrarily to take upon itself the right "to open" a foreign sky? It is enough to put the question this way, for the complete groundlessness of the aforementioned reference to the United States of America "open skies" proposal to become clear.

It follows from the aforementioned May 7 announcement of the U.S.A. State Department that the hostile acts of American aviation, which have taken place numerous times in relation to the Soviet Union, are not simply the result of activity of military commands of the United States of America in various areas but are the expression of a calculated U.S.A. policy. That which the Soviet Government has repeatedly declared in its representations to the Government of the United States of America in connection with violations of U.S.S.R. national boundaries by American airplanes has been confirmed, namely, that these violations are premeditated. All this testifies that the Government of the United States of America, instead of taking measures to stop such actions by American aviation, the danger of which has more than once been pointed out by the Soviet Government, officially announces such actions as its national policy.

Thus, the Government of the United States of America, in the first place, testifies to the fact that its answers to representations of the Soviet Government were only for the sake of form, behind which was concealed an effort to avoid the substance of the issue, and that all violations by American aircraft of the national boundaries of the Union of Soviet Socialist Republics represented actions conforming to U.S.A. policy.

In the second place, and this is the main point, by sanctioning such actions of American aviation, the Government of the United States of America aggravates the situation even more.

One must ask, how is it possible to reconcile this with declarations on the part of leading figures of the United States of America, that the Government of the United States of America, like the Soviet Government, also strives for improvement of relations between the Union of Soviet Socialist Republics and the United States of America, for relaxation of international tension, and strengthening of trust between states. Military intelligence activities of one nation by means of intrusion of its aircraft into the area of another country can hardly be called a method for improving relations and strengthening trust.

It is self-evident that the Soviet Government is compelled, under such circumstances, to give strict orders to its armed forces to take all necessary measures against violation of Soviet boundaries by foreign aviation. The Government of the Union of Soviet Socialist Republics regretfully states that, while it undertakes everything possible for normalization and improvement of the interna-

[6] For text, see BULLETIN of May 23, 1960, p. 818.

tional situation, the Government of the United States of America follows a different path. It is impossible to exclude the thought that, apparently, the two Governments view differently the necessity for improving relations between our countries and for creation of a favorable ground for the success of the forthcoming summit meeting.

The Soviet Government, as well as all of the Soviet people, considered that the personal meetings and discussions with the President of the United States of America and other American official figures which the Chairman of the Council of Ministers of the Union of Soviet Socialist Republics had during his visit in the United States of America, made a good beginning in the cause of normalizing Soviet–American relations and therefore the improvement of the entire international situation as well. However, the latest actions of American authorities apparently seek to return the state of American–Soviet relations to the worst times of the "cold war" and to poison the international situation before the summit meeting.

The Government of the Union of Soviet Socialist Republics cannot avoid pointing out that the State Department's statement, which is unprecedented in its cynicism, not only justifies provocative flights of aircraft of the armed forces of the United States of America but also acknowledges that such actions are "a normal phenomenon" and thus in fact states that in the future the United States intends to continue provocative invasions into the confines of the airspace of the Soviet Union for the purpose of intelligence.

Thus the Government of the Union of Soviet Socialist Republics concludes that the announcement of the State Department that the flight was carried out without the knowledge and permission of the Government of the United States of America does not correspond to reality, since in the very same announcement the necessity for carrying on intelligence activities against the Soviet Union is justified. This means that espionage activities of American aircraft are carried on with the sanction of the Government of the United States of America.

The Government of the Soviet Union makes an emphatic protest to the Government of the United States of America in connection with aggressive acts of American aviation and warns that, if similar provocations are repeated, it will be obliged to take retaliatory measures, responsibility for the consequences of which will rest on the governments of states committing aggression against other countries.

The Soviet Government would sincerely like to hope that the Government of the United States of America recognizes in the final analysis that the interests of preserving and strengthening peace among peoples including the interests of the American people itself, whose striving for peace was well demonstrated during the visit of the head of the Soviet Government, N. S. Khrushchev, to the United States of America, would be served by cessation of the aforementioned dangerous provocative activities with regard to the Union of Soviet Socialist Republics, by cessation of the "cold war," and by a search through joint efforts with the Soviet Union and with other interested states for solution of unsettled international problems, on a mutually acceptable basis, which is awaited by all peoples.

U.S. Rejects Cuban Charges

Department Statement

Press release 267 dated May 14

Dr. Enrique Patterson, Cuban Chargé d'Affaires, was called to the Department of State this afternoon [May 14] and informed of the Department's astonishment at the claim made by Prime Minister Castro that a Cuban patrol boat "fired" on a U.S. submarine on the high seas and "chased" it for 30 miles." The United States Government, in accordance with its desire not to add to the tensions in the Caribbean area, has previously made no reference to an incident in which the Commander of the submarine U.S.S. *Sea Poacher* reported that while running on the surface on the high seas, and in a recognized and well-traveled sea lane, a Cuban patrol craft had apparently tried to signal him with red flares but that the message was unreadable. Neither the submarine commander nor this Government could take seriously what appeared to be a question of identification at sea and a failure of communications.

The Department vigorously rejected the further repetition by Prime Minister Castro of charges and implications that the United States countenances plans for aggression against the Government of Cuba and once again expressed regret that he should seek this course in view of the United States Government's oft-repeated desire to achieve a fair understanding between our two Governments through normal diplomatic negotiations, a desire also publicly voiced on various occasions by high officials of the Government of Cuba.

The Department requested that an explanation be provided as to the reasons why an armed vessel of the Cuban Navy fired, without provocation, on the U.S.S. *Sea Poacher* while the latter was pursuing a peaceful passage on the high seas.

Economic Interdependence in Today's World

by Under Secretary Dillon [1]

Your theme, "America's Position in World Commerce," is directly related to the major issues of our day. Its choice and your attendance here are proof that New Jersey's business community is keenly aware of the problems of our times and is dedicated to the search for workable solutions.

The times clearly call for strenuous efforts to maintain and reinforce our international economic position if we are to successfully meet the two major challenges which confront us today:

The first is the worldwide offensive mounted by the Soviet Union against our system of free institutions.

The second is the desperate struggle of more than a billion people in the free world's newly developing areas to escape their traditional poverty, sickness, and illiteracy and to achieve dignity, independence, and material progress within a framework of meaningful freedom.

These two challenges are closely intertwined. For the Communist leaders are making a major effort, supported by a high rate of economic growth in the Soviet Union, to persuade the peoples of the newly developing areas that their best hope of achieving progress is by taking the Communist path.

At no time in history has our free way of life been under greater pressure. We must energetically demonstrate that freedom, rather than communism, can best meet man's universal aspirations for spiritual and material growth. The newly developing nations are watching to see which system can perform best—ours or the Communists'. How well we perform will largely determine not just our own well-being but the course of world events as well. The private American businessman has a vital role to play in this competition. For he is the very heart of the system which the Communists are striving to destroy.

If we are to succeed, we must constantly strengthen our economy both at home and abroad. The goal of domestic growth is closely related to success in our efforts to help the newly developing areas. Growth at home makes it easier to marshal the resources so desperately needed to foster growth abroad. Equally important, growth at home provides confidence abroad in free enterprise and promotes faith in the United States as a nation worthy of emulation.

A high growth rate should be our goal even if communism simply didn't exist. But we cannot ignore the fact that industrial production in the Soviet Union is presently expanding at more than 8 percent annually, compared with our own rate of about 4½ percent. The Soviet Union continually uses this comparison to project its own Communist image to the newly developing countries as the ideal blueprint for economic progress. It would, of course, take the Soviets many years to make good their boast of "catching up and surpassing" us. But catch up they may, unless we bestir ourselves. We cannot afford to be complacent, especially when we reflect that, with an annual gross national product only 45 percent of our own, the Soviets, by concentrating on areas which contribute most to industrial and military strength, are already able to fully match our military efforts.

The last 2 years have highlighted the importance of a substantial export surplus. Today any businessman who works to sell American-made products abroad should know that he is contributing

[1] Address made before the 12th annual New Jersey Business Conference at Rutgers University, New Brunswick, N.J., on May 12 (press release 258 dated May 11).

directly and importantly to our national security.

In order to counter the Soviet threat we have been forced to deploy strong military forces overseas. These forces, together with those of our allies, provide the security shield behind which the free world can live and work in peace. Our own defense expenditures abroad cost the United States between $2½ billion and $3 billion a year in foreign exchange. In the long run we must look to our export surplus to provide this sum. A much smaller but equally important requirement for expenditure abroad comes from our foreign aid programs. The larger part of the expenditures under these programs are made in the United States and, hence, have no effect upon our balance of payments. Nevertheless, the net dollar outflow for all forms of foreign aid, military and economic, amounts to a little over $700 million a year.

Both expenditures—to maintain substantial American military forces abroad and to operate our foreign aid programs—are absolute necessities if security, stability, and progress are to be maintained in the free world. Both are ultimately dependent upon a continued and substantial United States export surplus.

In the years immediately following the war we had no export problems because we were the only large-scale producer. Our sales were limited only by the availability of dollars in other countries. To use the vernacular, our exporters "never had it so good." Today, however, the other industrialized free nations have recovered from the ravages of war. Our friends in Europe and Japan provide strong competition. In some areas their costs of production are lower than ours. In many others this is not the case. But they work night and day to increase their exports. This is the normal situation for an industrialized nation such as ours. The time has come when we Americans must give exports the same sort of priority and attention.

The Departments of State and Commerce are now embarked with other interested Government agencies on an intensified new program to stimulate greater interest in foreign trade in American business circles.[2] We are moving energetically to provide better Government facilities, both at home and abroad, to assist American firms in selling their goods and services in foreign countries. But despite everything that we in Government can do, the promotion of exports remains essentially a task for private business. The basic drive must come from the business community.

Over the past 15 months the Department of State has been seeking to persuade our friends and allies in Western Europe and Japan to eliminate discriminations against our exports which were originally invoked to protect meager foreign exchange reserves during the postwar period of the so-called "dollar shortage." Fortunately, now that the financial problems that originally brought these discriminations about have been overcome, the need to do away with them has been recognized by our trading partners. Great progress has already been made. Our estimates indicate that Western European actions to remove discriminations last year increased our potential markets by roughly half a billion dollars a year. The momentum is being maintained and gives hope that, by the end of this year, postwar discriminations against our exports will be virtually a thing of the past.[3]

Our efforts to open markets long closed to American products are only a part of our drive to expand exports. We are constantly seeking reductions of tariffs affecting our exports, and we are alert to forestall the erection of new barriers to American products.

European Regional Economic Groups

With this in mind we have been closely following developments in Western Europe, where one important regional economic group, the European Economic Community, has been established and a second, the European Free Trade Association, will soon come into being.

The European Economic Community, often referred to as the Common Market or the "Six," represents a far-reaching effort on the part of France, Germany, Italy, and the three Benelux nations to merge their economies into a single entity. The Common Market treaty calls for complete free trade inside the Community, with a uniform level of tariffs and a common commercial policy toward the rest of the world. The treaty also provides for free movement of workers and capital and for harmonized agricultural and financial policies—all overseen by common institutions.

[2] For background, see BULLETIN of Apr. 11, 1960, p. 560.

[3] For a country-by-country summary of relaxations of restrictions on U.S. exports, see p. 873.

The United States has long favored the goal of economic integration in Western Europe. We believe that a strong, single unit, closely allied with us and other Atlantic nations, is highly desirable for reasons of free-world security, political cohesion, and economic growth and stability. We therefore support the objectives of the European Economic Community.

At the same time we are urging the Community to adopt liberal trading policies and, in particular, to establish as low a common tariff as possible. For this reason, among others, we welcomed the proposal that the Common Market reduce its future common external tariff by 20 percent at the same time that it speeds up the creation of its customs union.

The second European regional grouping is the European Free Trade Association, also known as the "Seven." The EFTA, recently ratified by the parliaments of Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom, provides for free trade in industrial goods among its members. Unlike the Common Market, which aims at a high degree of economic integration and very close political ties, the EFTA has no common tariff. It explicitly reserves to each member full control of its own external commercial and general economic policies. Its stated objectives are therefore not as far-reaching as those of the Common Market.

You may have read reports that United States support for the European Economic Community in some way indicates opposition to the EFTA, or favoritism for the Six as against the Seven. I can assure you that this is not the case. There is no question of choosing sides. In indicating our support for the European Economic Community, based on political and security as well as on commercial policy considerations, we neither state nor imply opposition to the European Free Trade Association.

We do not, however, share the belief of some of the Seven that the mere creation of the Common Market will inevitably cause such serious trade difficulties that Europe will be split in two. We favor negotiations between the Six and the Seven to work out individual commodity problems that are of particular importance to the countries concerned. We have always favored such negotiations. It is our considered opinion that, if they are entered into in good faith and vigorously pursued, they can provide reasonable solutions to the complex problems of intra-European trade.

We have also pointed out to both European groupings the importance of their actions to the rest of the free world. We have stressed the fact that the most-favored-nation provisions of the General Agreement on Tariffs and Trade require that such special tariff concessions on individual commodities as the members of the two groups may grant each other must be extended to all other members of the GATT, including, of course, the United States. I am happy to say that this principle has been widely and generally accepted by the members of both groupings. You can be certain that we shall continue to urge the European Common Market and the European Free Trade Association to pursue increasingly liberal trade policies toward the United States and the rest of the free world.

I have every reason to hope that our efforts will be successful. But I should like to emphasize that we must maintain our own liberal trade policy if we are to expect other countries to join with us in liberalizing and expanding trade. If nations are to buy from us, they must also be able to sell to us.

Preservation of Freedom a Cooperative Effort

The preservation of freedom must be a cooperative effort. Our friends and allies recognize this truth. As their economic strength develops they are assuming a steadily increasing share of the common responsibility for safeguarding the free world. For example, the annual military expenditures of our NATO allies have increased more than a billion dollars in each of the past 2 years, and further substantial increases are in sight this year.

Our newly prospering allies are also playing a stronger role in speeding the growth of the developing areas. They have not only accelerated their direct financial and technical assistance to needy regions, but they have joined with us in strengthening the free world's institutions of economic cooperation. These major steps include the proposed establishment of a billion-dollar International Development Association to complement the operations of the World Bank and creation of a Development Assistance Group,[4]

[4] For a communique issued after the first meeting of the Group, see BULLETIN of Apr. 11, 1960, p. 577.

through which our allies and ourselves are seeking ways and means of increasing the flow of capital to development-hungry areas.

Finally, 18 European nations have joined Canada and the United States in preliminary steps to reconstitute the Organization for European Economic Cooperation into a major instrument for meeting the challenges we now face.[5] Once the reconstituted OEEC is a reality, with full membership for Canada and the United States, more effective collaboration will be possible in promoting sound economic growth and in mobilizing the resources of its industrialized members to help the newly developing lands.

No Substitute for Mutual Security Program

The increased help which other industrialized countries are extending to newly developing areas is a welcome and most important development. However, these increased contributions from others should not be regarded as a substitute for our own contributions, which must be continued at adequate levels through our Mutual Security Program.

This includes military-assistance and defense-support grants to nations on the periphery of the Sino-Soviet empire whose economies are otherwise unable to sustain the defense establishments they must have to resist Communist military pressure. It includes loans for sound productive purposes through our Export-Import Bank and our Development Loan Fund. It also involves furnishing ideas and skills to the newly developing countries through technical, educational, and cultural programs.

We can go forward confident in the knowledge that other countries are working with us in the great struggle to preserve and expand freedom. We no longer stand alone, but the basic American effort must come from private business which, after all, is freedom at work. Private business is the mainstay of our growth here at home. It is to private business that we must look for much of the investment capital and technical know-how so desperately needed in the newly developing countries. And it is to private business that we must look for our all-important export surplus. By accepting this challenge, each in your own way, you will be serving your own best interests at the same time as you serve the cause of freedom for all mankind.

[5] For background, see *ibid.*, Feb. 1, 1960, p. 139.

Anniversary of Austrian Independence

Following is the text of a message sent by Secretary Herter to Dr. Bruno Kreisky, Federal Minister for Foreign Affairs of the Republic of Austria.

Press release 265 dated May 14

May 14, 1960

Dear Mr. Minister: It gives me great pleasure to extend to you and to the Austrian nation the warm and friendly good wishes of the government and people of the United States on the occasion of the fifteenth anniversary of the declaration of Austrian independence and the fifth anniversary of the signing of the State Treaty. During those intervening ten years we shared with you the hope that true sovereignty and freedom would be restored to your country. I recall the many bitter disappointments before Austrian and Allied perseverance culminated in the signing of the State Treaty. We have watched with admiration the successful efforts of your country to rebuild itself and to grow prosperous, and we look forward to continuing years of cooperation between our two countries.

With warm personal regards,

Most sincerely,

Christian A. Herter

His Excellency
Dr. Bruno Kreisky,
Federal Minister for Foreign Affairs,
The Republic of Austria.

Prime Minister of Canada To Visit United States

White House press release dated May 9

The White House announced on May 9 that the Prime Minister of Canada, John G. Diefenbaker, has accepted a personal invitation from President Eisenhower to visit Washington as his guest on June 3. The visit will provide the occasion for informal talks between the Heads of Government of the two countries, which are close neighbors and allies. The Prime Minister, who will be accompanied by Mrs. Diefenbaker, will stay at the President's Guest House during the visit. The Prime Minister will arrive by air at Washington at noon on June 3 and depart for an engagement at Winnipeg on the morning of June 4.

Mr. Diefenbaker visited Washington briefly in the fall of 1957 at the conclusion of the visit of Her Majesty the Queen of Canada. President Eisenhower's last visit to Ottawa took place in July 1958.[1]

President Congratulates Dr. Rhee on Well-Earned Retirement

Following is the text of a letter from President Eisenhower to Syngman Rhee, who resigned as President of the Republic of Korea on April 27, and a statement by Dr. Rhee.

PRESIDENT EISENHOWER TO DR. RHEE

White House press release dated May 9

May 5, 1960

Dear Dr. Rhee: The vastness of the events which have taken place in Korea has claimed the attention of the entire world. I can assure you that no one has followed them with more anxious sympathy than I.

With your voluntary withdrawal from political life, I am reminded ever more strongly of how much your country will remain in your debt. The rebirth of Korea in 1945 was the fruition of your long years of patient and arduous labor. Your tenacity and indomitable courage at a time when the Republic was the prey of Communist armies won the admiration of the entire Free World as well as the gratitude of all Koreans. Since then, under your guidance, Korea has recovered from the deepest wounds of that conflict and is today a monument to your life-long work.

I cannot but feel that your decision, momentous as it is, is yet another example of wisdom as well as selfless service. I assure you that the United States will continue to feel itself bound by strong ties of sympathy to Korea under your successors.

My best wishes for many years of health and happiness in the honored retirement which you have done so much to earn.

Sincerely,

Dwight D. Eisenhower

His Excellency
Syngman Rhee
Seoul, Korea

[1] Bulletin of Aug. 4, 1958, p. 204.

STATEMENT BY SYNGMAN RHEE[1]

President Eisenhower's letter moves me deeply—not because of the personal sentiment addressed to me but because of the pledge of continued American friendship and support for Korea.

If my own resignation has contributed to safeguarding Korean security and independence, then it is worth while on that ground alone and without regard to domestic political considerations involved.

The Korean position of President Eisenhower and the American people is vitally important to this country, and I am confident all Koreans will rejoice at the renewed evidence of U.S. dedication to the free, democratic, prosperous, and united Korea we all want.

This is another reason, I think, why the Korean people will give President Eisenhower one of history's greatest welcomes when he comes here in June.

Speaking from my retirement and having renounced all political considerations for the rest of my life, I urge fellow citizens to express their respect and admiration for President Eisenhower and the great American nation.

My own role in Korea will be judged by history, and all facts are in the record.

But President Eisenhower and the American Government will continue to be our first line of reliance for free survival itself. His letter to me is not a personal letter, however warmly courteous it may be, but an expression of common cause between the United States and the Republic of Korea.

ICEM Honors Millionth Migrant

Press release 256 dated May 11

Department Announcement

At 10 a.m., May 11, 1960, Andrejs Suritis, a 10-year-old Latvian refugee boy, will arrive at Idlewild International Airport, New York. Andrejs is the millionth migrant to be transported by the Intergovernmental Committee for European Migration (ICEM) from Europe to a new home overseas. He is traveling with his father en route to Kalamazoo, Mich., to join his mother and two younger brothers, who arrived in this country last year.

In honor of this "millionth migrant," ICEM has planned a special arrival ceremony at the airport. Young Andrejs will be greeted by Robert Gray, Secretary to the Cabinet, on behalf of President Eisenhower, Senator Kenneth Keating, Representative Auguste E. Johannsen, George Whetstone, chairman of the Lutheran Immigration

[1] Released at Rhiwha Chang, Dr. Rhee's residence, at Seoul on May 9.

Service Committee, and John J. Bratten, acting chief of ICEM's United States office.

Mr. Gray will also present to Andrejs a personal letter from the President.

Text of President's Letter

DEAR ANDREJS: Welcome to the United States!

As you and your father are reunited with your mother and brothers, I hope that all of you, as a family, will build in our free land a fine new life and home.

I understand that you bear the number 1,000,000 in the records of the Intergovernmental Committee for European Migration. As such you are a symbol of the splendid achievements of this Committee, but in my eyes you are also Master Andrejs Suritis. I know you will soon have many friends here who will call you by name.

Our Nation was settled by brave and hopeful people like you. In recent years we have received a goodly share of the million migrants assisted by ICEM. To all of these, America offers its heritage of liberty and opportunity. At the same time, we gladly open our ranks to include those who will accept the responsibilities of citizenship.

I am delighted to know that you have come, Andrejs, and I wish you and your family a full measure of happiness and success.

Sincerely,

DWIGHT D. EISENHOWER

World Population and Economic Development

by Francis O. Wilcox
Assistant Secretary for International Organization Affairs [1]

Before I finish reading this sentence—and it will take about 10 seconds—31 new babies will be born into the world. Every week 1.8 million births occur. Every hour brings 11,000 new mouths to feed.

In fact there is a race going on in the world today whose outcome may be as fateful in history as the atomic bomb or the sputnik. Its outcome will affect us all—and our way of life—for generations to come. This race is between the rapid growth of population in the less developed countries and the struggle of these peoples for economic progress and a better life.

Nature of the Population Explosion

This startling phenomenon, "the population explosion," as it is often called, arises primarily from medicine's advanced techniques of "death control." Medical discoveries of the past few decades have made possible sensational reductions in the death rate. The systematic, large-scale use of antibiotics, sulfa drugs, DDT, and other insecticides has led to control of infectious diseases to an extent and with a speed previously impossible. In some less developed countries death rates have fallen at a tremendous rate—three to five times as fast as they did in 19th-century Europe.

The tropical island of Ceylon provides a dramatic demonstration of how a public-health program can cause a sensational decline in the death rate. In 1946 the Ceylonese authorities, in cooperation with the World Health Organization of the United Nations, launched a vigorous health campaign, principally to stamp out malaria through the use of DDT. The death rate fell amazingly—30 percent in 1 year. From almost 20 deaths per thousand in 1946, it fell to slightly above 10 a thousand in 1957, which is comparable to that prevailing in the Western World.

Meanwhile, almost all the less developed countries have had an annual birth rate in excess of 40 births per thousand. Even birth rates of 45 per thousand are by no means extraordinary in the Middle East and Latin America.

With death rates falling and birth rates remaining at a very high level, the tempo of population

[1] Address made before the 10th annual conference of the International Association of Personnel Women at New York, N.Y., on Apr. 29 (press release 227).

growth has been rising sharply. The almost 2 billion people who inhabit the world's less developed regions are increasing their numbers on the average by as much as 2 percent a year. This rate, if continued, would double the population in 35 years.

While estimates beyond the 1970's become ever more speculative, United Nations experts state that, barring either a catastrophe or a deterioration of social conditions for progress in health of global proportions, a world population of between 6 billion and 7 billion by the end of the century should now be expected almost as a matter of practical certainty.

It is significant that most of the future increase in world population will take place in the less developed areas of Asia, Africa, and Latin America. These are regions where, in general, population already presses very heavily upon available resources.

That the world's population may grow from less than 3 billion today to 6 or 7 billion by the end of the century is not in itself so disquieting; what is disquieting is that most of this expansion will take place among those people who are already living at subsistence levels—and that it may take place within the short span of 40 years.

Consequences of the Population Explosion

These possibilities raise difficult questions: How are the less developed areas to achieve economic and social improvement, without which political freedom loses much of its meaning? Can economic and social development come fast enough in the next four decades to prevent deplorably low living standards from falling even further behind?

Here we face a very discouraging fact. Already some less developed areas are finding it difficult to keep their economies expanding as rapidly as their population. The per capita product in Latin America is now rising more slowly than during the early postwar years. And in most of Asia and Africa there has been only modest improvement in living standards, despite the intensive programs of economic development that have been carried on for more than a decade in some of these countries. Food production seems to be falling behind or barely keeping pace with population growth in several countries of southeast Asia, Africa, and in some parts of Latin America. Though they may plant more acres and grow more food, there are always more people to feed.

Rapid population growth can, in itself, seriously hinder the economic and social development of low-income countries. The faster the population grows, the greater the importance of increasing the rate of technological improvements if even the existing level of production per worker is to be maintained. In less developed countries where the margin of income over subsistence needs is very narrow, it is all but impossible to save and invest enough for economic development to proceed at a satisfactory pace, even if the population were standing still.

A comparison of per capita income in the less developed countries and in the industrialized West may indicate why it is so very difficult in less developed countries to accumulate capital. According to a recent study, 1¼ billion people in 100 less developed countries and territories of the free world have an annual per capita income of about $100. The corresponding figure for the United States is $2,100.

In the decade from 1950 to 1960 incomes in these less developed countries increased at the rate of 3 percent a year, while population grew at the rate of 2 percent a year. Consequently per capita income increased only 1 percent a year, the equivalent of one American dollar. Can anyone but a confirmed optimist believe that such a snail-like pace could bring any noticeable improvement in living standards and capital savings?

Contrasted with the United States the figures are even more shocking. While the per capita income in the less developed countries increased by only $10 in 10 years, it rose by $225 in our country in the 7 years from 1950 to 1957. It also rose by more than $200 in the same period in six countries of Western Europe.

Not only is there an enormous gap between incomes, living standards, and opportunities for savings in the Western World and the less developed areas, but the gap continues to widen. While advancing, the tortoise keeps falling further and further behind. Forced to expend their limited resources on current consumption, the underprivileged peoples see their plans for a substantial betterment in their economic and social conditions seriously jeopardized unless sufficient help comes from the outside.

Population Control

These discouraging circumstances have led to repeated suggestions that only "population control" can cope with the problems brought on by the "population explosion." Furthermore, some people predict that, if there is not deliberate modification of population trends, there is scant hope that economic development in low-income countries will outdistance population increase.

Those who hold this view do not favor reducing birth rates as a substitute for economic development. On the contrary, they advocate ever-increasing production as the primary solution to the problems of poverty. They do fear, however, that these problems will prove insoluble—even with economic growth and development—unless there is some check on population expansion. In proposing planned reduction in the birth rate they seek to accelerate the speed with which economic advance can provide better living standards. Otherwise they fear that the rapidly increasing millions in the economically less fortunate areas of the world will be forever condemned to their treadmill of frustration and despair.

On the other hand, there are many people who argue that economic development will alone suffice to meet the challenge. Exponents of this position contend that birth control is not only repugnant to many people because of religious beliefs but is essentially a negative response. They insist that population pressures may be eased by positive economic, social, and political measures, such as development of natural resources, promotion of education, and introduction of modern industrial methods.

This is not the place to examine in detail these divergent viewpoints. President Eisenhower has made clear that, insofar as the United States Government is concerned, it is for the governments and peoples of other countries to reach their own decisions on what population policy they may wish to follow. It is for them to work out their own policies and programs within the framework of their own religions, traditions, and cultures.

The United Nations has also scrupulously avoided any suggestion of intervention in the population policies of its member states. At the same time it has undertaken comprehensive population studies and established facilities in India and Chile for demographic research. Whatever measures the concerned countries may adopt to deal with the issues arising from rapidly expanding population it should be very helpful for them to have th demographic facts at their disposal.

The Challenge To Aid the Less Developed Areas

The straits in which these growing population find themselves as they strive for advancement ar not omens of the inevitable futility of their effort nor the hopelessness of their aspirations. They do however, make inescapably clear that the viciou circle of poverty engendering poverty can b broken only with outside help. This prodigiou challenge, this unparalleled opportunity, to aid th underprivileged peoples of the world to triumpl over poverty, disease, and ignorance—and, may add, over subversion from within and without—i one which the United States and the United Na tions have been glad to accept.

The challenge has been accepted for a number o compelling reasons.

First of all, we have answered it because it pre sents a great moral issue. On this ever-smalle globe, we are inextricably involved with all man kind. We cannot view with detachment the des perate struggle of our fellow men to free them selves and their children from the oppression o want and disease and ignorance when we know that our help and the help of other men of goo will is so important to the success of their struggle Enjoying ourselves a measure of liberty and well being unknown in history, we cannot but view their strivings with compassion and concern an grasp the opportunity to aid them to progress i freedom.

As President Eisenhower has stated,[2] ou assistance to the less developed nations is founde on this proposition:

> . . . the achievement of a peace which is just depend upon promoting a rate of world economic progress particularly among the peoples of the less develope nations, which will inspire hope for fulfillment of thei aspirations.

Among the underprivileged peoples there are many who have found that political freedom is a qualified boon if unaccompanied by a satisfactory measure of economic advance. The determination, the very impatience, of hundreds of millions of newly independent Asians and Afri-

[2] BULLETIN of Mar. 7, 1960, p. 369.

ans to share in the material blessings of the modern age exerts tremendous pressure on their leaders to accomplish economic and social improvement. If such benefits cannot be obtained in an environment of freedom, they may well be sought through the harsh totalitarianism of Communism.

You can be sure that the challenge which the aspirations of these newly emerged areas offer the free world and the Communist world is fully appreciated in the Kremlin. Already the Sino-Soviet bloc has agreed to furnish some $4 billion in grants and credits to those less developed countries, carefully selected, on which it is centering its campaign of political and economic penetration. Thousands of technicians have been sent to these countries, their number in 1959 being estimated at 4,700. The bloc has also given special attention to enlarging its trade with these same countries—and with marked success. All this is an integral part of Soviet policy as reflected in Mr. Khrushchev's blunt announcement to us in 1957: "We declare war on you in the peaceful field of trade. We will win over the United States."

However, it is a serious mistake to assume, as some people do, that our foreign aid program emerged primarily as a response to the Communist threat. I am convinced that the United States would be engaged in extensive foreign aid activity if Marx and Engels had never lived or if there were not a single Communist left on the face of the earth.

The United States' Response to the Challenge

What is our answer to this challenge? What are we in the United States—and our free-world associates in the United Nations—doing to help the less developed areas help themselves to progress? It is an important objective of United States foreign policy to help these countries achieve satisfactory economic growth so that they may preserve their freedom and develop into more stable, effective societies.

The task of aiding these nations is, however, so tremendous in terms of both capital and imagination that it calls for the cooperative efforts of all the economically advanced nations of the free world. We have sought therefore to channel a substantial share of our assistance to the less developed areas through the United Nations and other multilateral organizations. At the same time we have made a massive governmental response, on a bilateral basis, principally through the Mutual Security Program.

The purpose of the Mutual Security Program is to help other people to help themselves. We seek to aid them in developing political and economic systems which will achieve enough self-generating vitality to sustain further progress under their own power.

Our help in developing the human skills so lacking in the less developed countries and in making available the knowledge and expertise of our civilization is furnished largely through technical assistance programs. Thousands of American experts are working overseas in more than 60 nations in agriculture, education, public health, and many other fields. These men and women are working with the peoples of other nations to develop their skills and economies—and thus to give substance to their aspirations.

Speaking about these Americans overseas, may I say just a word about *The Ugly American.* In my judgment this book—through isolated examples and other distortions—has belittled the character and capacity of our representatives abroad. Thousands of able Americans have done, and are doing, an outstanding job all over the world. In remote posts where health hazards are constant, school facilities for their children lacking, and recreational opportunities limited, these Americans are making real sacrifices for their country. And in the vast majority of cases they accept hardships with quiet grace and fit well into an alien and often trying environment.

Our help in material resources, in the financing of development, is furnished in the form of both grant and loan assistance. In addition the United States continues to be the chief contributor of assistance through the United Nations, the International Bank for Reconstruction and Development, the International Monetary Fund, and other international bodies. Since the United Nations' establishment in 1945, the United States has contributed $3.3 billion to the United Nations, its specialized agencies other than the Bank and the Fund, and voluntary programs.

Certainly no one can accuse our country of pinching pennies in connection with our foreign aid programs. If we add to the Marshall plan and the Mutual Security Program the contributions we have made through the United States

Export-Import Bank, the International Bank for Reconstruction and Development, the International Monetary Fund, and various other types of assistance, our total foreign aid since 1945 approximates $72 billion. This figure ought to be clear proof of our deep interest in helping to build a prosperous and peaceful world.

Fortunately we are entering a period when some of our allies and associates, particularly in Western Europe, have recovered their economic health and are able to do progressively more in assisting these economic development needs. Therefore, when we look to the future of external assistance to the less developed countries, we can envisage the prospect of greater contributions from other governments and the greater use of multilateral arrangements for the execution of this aid. We also look forward to an increasing flow of private capital from these countries to the less developed regions of the world, in addition to that from the United States.

The United Nations' Response to the Challenge

The nature and amount of United States assistance to the less developed countries are probably more familiar to you than are the character and scope of aid extended through the United Nations and its specialized agencies. We might well, therefore, turn our attention to some of the representative accomplishments of this latter group.

Before doing so, however, I might note that, curiously enough, there are still a few people who are critical of the fact that our Government gives some of its aid through the United Nations. There are at least three very sound reasons for doing so:

1. The United States has found aid through United Nations channels to be an advantageous complement to our own bilateral aid programs. When we can share costs with 80 other countries, it is obviously far cheaper than if we were to carry the entire burden alone.

2. Utilization of the growing United Nations pool of manpower and training resources helps speed up economic development, which is our basic goal. Moreover, our supply of American experts is inadequate to meet all the needs of the less developed areas.

3. Many of the less developed countries, some of whom are jealous of their newly won sovereignty, prefer aid through the United Nations for politica reasons. They are inclined to look upon Unite Nations programs as cooperative ventures in whic all member countries, no matter what their size o wealth, have a voice and most of them make contribution.

The needs of the less developed areas hav naturally determined the character of assistanc rendered by the United Nations and its specialize agencies. These requirements have been, abov all, for technical know-how, for capital invest ment, and for good health and adequate nutritio

United Nations Program of Technical Assistance

No less urgent than the low-income countrie needs for capital are their needs for trained mar power. Only a small number of their people hav gained an education; only a few have held posi tions of responsibility. So there are pressin requirements for people trained in the manageria technical, and vocational skills essential t development programs. To help provide thes skills, the United Nations Technical Assistanc Program has sent 8,000 experts of 77 nationalitie to assist 145 countries and territories in thei economic development.

I would like to point out that this assistanc program is by no means a one-way street. Whil receiving aid themselves, many less develope countries have at the same time provided expert for assignment elsewhere. In one recent year a Asian country received 146 experts and provide 109 of her own experts for other countries. Wha began as technical assistance has become technica cooperation on a worldwide scale.

Some critics still argue that the United State contributes more than its fair share of the Unite Nations Technical Assistance Program. It i true that we took the initiative in setting up th program. It is true, too, that we have continue to play the leading role in its support. In al fairness, however, I should point out that a num ber of countries contribute substantially more pe capita than we do. They include Canada, Den mark, Sweden, Norway, and the Netherlands.

In fact, the total contributions we make to al United Nations activities cost each Americar only 61 cents a year. In view of the highly im portant role of the United Nations in improving

living standards in many lands and in maintaining world peace, this is without doubt the cheapest insurance this country could possibly buy.

United Nations Special Fund

If managerial and technical skills are prerequisites for economic development, still they must be accompanied by sufficient capital investment to produce tangible progress.

If the less developed countries are to raise their standards of production and consumption, the output per worker—on the farm and in the factory—must be increased. This means adding mechanical power to muscle power. It means capital investment in creating power supplies, building factories, and developing natural resources.

To encourage capital investment in the low-income countries, the United Nations Special Fund finances natural-resources surveys, applied research, and technical training. It does not itself provide funds for capital investment, but it does open doors to productive investment.

Special Fund surveys have concentrated on discovering natural wealth in the less developed countries. These surveys have been intensive studies of the feasibility of bringing large areas of land into agricultural production, harnessing rivers for electricity, opening up mineral deposits, and developing large-scale fishing industries.

In its efforts to facilitate new investments and to improve technical skills, the Special Fund applies sound business criteria. It assists countries to help themselves; it shares rather than bears the costs.

The Special Fund's activities are a recent supplement to those of the International Bank for Reconstruction and Development, the International Monetary Fund, the International Finance Corporation, and the proposed International Development Association. These multilateral institutions, under United Nations auspices, are instrumental in helping the less developed countries to obtain capital and maintain monetary stability.

Food and Agriculture Organization

Essential to the sustained hard work required for economic and social achievement are good health and adequate food. A people weakened by malnutrition and debilitated by illness cannot meet, either in terms of physical effort or creative thought, the great tasks that confront them.

If all the earth's millions sat down together at one gigantic dinner table, more than half of them would leave hungry after the meal. That, in effect, is how the FAO—the Food and Agriculture Organization of the United Nations—pictures the world food situation. The problem is how to fill existing plates more adequately and at the same time fill new plates for the more than 100,000 persons being added to the world's population every day.

Toward solving this problem, the world must use its lands and seas and other resources more efficiently. The job of FAO is to help realize this by modernizing farming methods, enriching the soil, using better seeds, working out irrigation and flood-control systems, expanding livestock herds, controlling plant and animal diseases, and improving fishing methods. For example, along the Red Sea coast of the Sudan, fishing techniques taught by FAO experts led to a fivefold increase in the fish catch. In Egypt, FAO introduced improved varieties of seed and better cultivation methods, with the result that rice production more than doubled in 4 years.

Notwithstanding the efforts of FAO and of government programs all over the world, the problem of hunger has by no means been solved. The experience of industrially advanced countries demonstrates, however, that, by application of scientific methods and proper management of the national economy, productivity can be raised to heights hitherto believed unattainable. Improved agricultural tools and machinery, rational use of fertilizers, and farm credit and marketing arrangements can bring about a radical change in the present low-yielding practices of many lands. Moreover, soil scientists believe that there are great possibilities of increasing the area of land now under cultivation through irrigation and reclamation.

The problem of adequate food supplies for the world's growing millions springs, therefore, not so much from an intrinsic lack of nature's gifts or human resources as from an inadequate response. To arouse public consciousness regarding the world's food problem and to turn apathy into significant action, the FAO will officially launch on July 1 of this year a freedom-from-

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hunger campaign.[3] The heart of the campaign will be national action programs designed to increase food production, improve its nutritive quality, prevent food losses, increase effectiveness in distribution, and stimulate better food habits.

World Health Organization

In view of the difficulties in providing the peoples of the less developed areas with adequate food, some people may be tempted to ask whether improving health standards, saving lives, and increasing the life span are really helping solve the population problem—or whether the net effect of such humanitarianism is to intensify the pressure of population upon resources.

To this question I would say, first of all, that belief in the dignity and worth of the individual is one of the basic values of our democracy. To deny to any man the priceless boon of good health—a vital prerequisite to the good life and the realization of his potentialities—would be unthinkable.

Quite apart, however, from any moral consideration, it is obvious that a healthy, vigorous people is essential to national progress and results in increased productivity. Those who are weakened by recurring attacks of malaria, crippled by yaws, wasted by tuberculosis, can contribute very little—if anything—to economic and social development.

To give the world's underprivileged peoples health and strength to work for their own betterment, the World Health Organization, WHO, has done much since its establishment 12 years ago under United Nations auspices. It has given first priority to an effective control of major communicable diseases, man's ancient scourges. The less developed nations, with aid and guidance from WHO and the United States, have made a magnificent onslaught against them. Malaria has been reduced by 50 percent, from 300 million to 150 million cases a year. Substantial progress has also been made in combating other scourges—yaws, yellow fever, leprosy, trachoma, smallpox, and tuberculosis.

Besides its campaigns against mass infectious diseases, WHO is building the enduring bases of good health. This it does through assistance in public-health administration, maternal and child health, public-health nursing, environmental sanitation, and, most basic of all, in training. Th worldwide services of WHO are constantly in creasing in value to the less developed areas.

Concluding Comment

In brief compass, then, we have seen that th population explosion confronts the entire worl with a challenge of the first magnitude. Our ow response, and that of our free-world associates, t the underprivileged peoples' aspirations—fo freedom from want, disease, and ignorance—in spires confidence that man will prove master, no victim, of his environment.

Heartening as the results of this worldwide co operation are, formidable tasks have yet to be ac complished. Above all, economic growth mus proceed at a faster rate if the race between eco nomic progress and advancing population is to b won.

Personally I do not believe there is any dange that the world's population explosion will lea to anything like large-scale starvation. It wil however, make exceedingly difficult the task o raising the living standards of people in the les developed areas.

Simply put, world production must increas faster than people. The total world product mus be increased so that the economic pie can be cu into big enough slices for everyone.

Toward this end, certain measures are of higl priority. Let me mention a few:

1. A larger flow of private capital into the les developed areas must be stimulated. Private capi tal is an indispensable supplement to funds mad available by governments and by internationa agencies. In this respect the less developed area have a special responsibility to create a favorabl climate so as to encourage the inflow of privat capital under terms which are equitable to them and to private investors.

On this point the less developed countrie should labor under no illusions. People wit money to invest are not going to send it to far away lands unless they are given reasonably at tractive investment opportunities.

2. An expanding international trade, in a dynamic world economy, must be fostered and encouraged. The less developed countries, owing to a dearth of local capital, rely heavily on what they can earn from their sales abroad to finance economic development. They depend on

[3] For background, see *ibid.*, Jan. 18, 1960, p. 88.

hese earnings to pay for most of their imports f capital equipment and industrial materials. Trade is every whit as important as aid.

3. Technical cooperation must be continued and xpanded. A healthy, well-trained labor force, killed in modern agricultural, industrial, and anagerial techniques, is essential to maximum tilization of human and physical resources.

4. On the part of the less developed countries here should be full realization that their ecoomic destiny, no less than their political future, ests primarily in their own hands. On their own ffort, sacrifice, and initiative will hang victory r defeat in their battle against age-old misery. Vell-wishers overseas can help, but they cannot apply these essential elements of success.

5. Finally, when we survey the vast opportunies for development activities everywhere, we annot but regret the stupendous burden of world rmaments. In the next decade the nations of the orld may well spend more than $1,000 billion n arms. How much could be accomplished in many areas if only a small percentage of this st outlay could be turned to more constructive urposes.

On our part, we have told the world that, when fficient progress is made on internationally upervised disarmament, the United States stands ady to join with other nations in allotting a ortion of savings from disarmament to a multiteral development fund. Somehow the nations the world must find a way, under a foolproof stem of disarmament, to divert their wealth om military expenditures to economic and social eds—their own and those of their neighbors.

We can all agree that the way to meet the orld's population problem is not to blast our eming billions from the face of the earth in nuclear war. We must beat our weapons into uning hooks and plowshares so that people erywhere can have the opportunity to live in ace and in plenty.

The less developed countries' achievement of cial and economic advance, under free institions, is an accomplishment in which we all may are and in which we may all benefit. We have choice but to join this global struggle for onomic growth in freedom. For we know that ly in a peaceful and flourishing community of ee nations, in which human beings everywhere ay enjoy maximum opportunity for a better life, n we, too, find security and maintain prosperity.

Trade, Mutual Security, and Fiscal Responsibility

Remarks by President Eisenhower [1]

It is, of course, a distinct privilege to have the opportunity to meet with the members of the Chamber of Commerce during this convention. You have established in this country a very enviable reputation for making recommendations to the Government or for stating propositions before our people that are based upon principle and not expedience. This fact enhances your capacity and your opportunities in one broad function that I conceive to be very important: that of teachers.

It is not enough that a body of people understands a matter, places it before the Government or any other responsible body, and then sits back in the belief that the duty of that body is completed. The United States is a government in which public opinion is the motivating force behind everything that happens. It must be an informed public opinion if the things that happen are going to be good for the United States and good for humanity. Consequently, those that understand must make their voices heard. Their responsibility to inform others is equal indeed to that of the responsibility of informing themselves.

I am going to speak for a short time on three subjects that each of you understands. Of this I am certain, because the official actions and recommendations and reports of the Chamber of Commerce have always supported them. They are:

1. Reciprocal trade—the importance of expanding foreign and international trade.
2. The programs of mutual security by which we help other nations further to advance their economic standards and their living standards.
3. And, thirdly, here at home, the need for prudence in our fiscal affairs. We should cast from our minds the thought that money alone can solve all our problems. Only as we produce the people—the thinkers, the teachers, the technicians, the professional people that go along with great programs of welfare, education, and development—then, and then only, can money be used expeditiously, properly, and in a coordinated fashion to bring about the results we seek.

[1] Made before the Chamber of Commerce of the United States at Washington, D.C., on May 2 (White House press release).

International Trade

In the field of international trade it would be unbecoming for me to appear before you as an expert. You people study these matters all the time. But I can express to you my own convictions in support of pronouncements you have made. Indeed I can pause long enough to tell you that one of the reasons I think you are such a great organization is because you agree with me.

In speaking about foreign trade, we know that without liberalized trade there would be some 4 or 5 million of our people who would soon be out of jobs. You know this, but do all others?

It is important that people understand that a great deal of our employment is to produce the things that we send abroad. It is important for our people to understand that we are not a completely self-dependent nation, that there is a whole array of important minerals and products that we must obtain from the other parts of the world.

These areas are important to us both from our security and economic viewpoint. We must liberalize our trade policies—keep them liberal—so that trade can be advanced and increased all the time. As we grow, we need more trade. And through trade we also make other countries stronger in their industrial and economic output and standards. We give them hope, and hope is the thing that sustains them.

So both abroad and at home we find that we do prosper, we do advance the causes of freedom for all peoples, through the business of trading and producing for the other fellow at such costs as he can buy and at such prices as we can pay.

Mutual Security

The Mutual Security Program I shall mention only briefly, because tonight I expect, before another audience, to talk about this subject with the greatest emphasis of support that I personally can command.[2] I believe it is one of the great programs through which the United States can lead toward world peace. Certainly people who believe in trade and commerce must be looking for world peace as strongly or even stronger than others.

But I do want to say one or two things about the Mutual Security Program—simple examples of what I am talking about. No one here needs to be told of the vast importance it is to the worl for the United States to cooperate closely wit Canada and with Mexico. With these two cou tries we have long borders, and along them found no soldier, no fort, no defensive or offensi arrangements of any kind. They are defende by friendship. That friendship is, and must b based upon cooperative work—mutual understan ing of problems and a constant insistent effort t solve these problems to the mutual satisfaction o the parties concerned.

Now we all understand this need, and we a very proud of the results that have been achieve over the years. But modern transportation an modern communications have made every natic of the world our neighbors, except in the ge graphic sense. The cooperative efforts that ha been so successful with Canada and with Mexi must be extended through every possible econom and trade factor that we can bring to bear so to increase friendship abroad. The way is pave for us because we commonly worship and reve certain ideals: the dignity of the human, his right his equality before the law. These are the kind concepts that create the atmosphere in which th kind of understanding of which I speak can developed.

I can conceive of no greater accomplishment f the Chamber of Commerce, or indeed all of t friends and supporters of the Chamber of Con merce, than to bring these subjects and these ma ters affecting freer trade and mutual security the understanding of our people, so that no long do we hear such terms as "giveaway" and the pr tense that we neglect our own people in some their needs and desires because we perform an pursue programs on the outside that are of t utmost importance to our own security and world peace.

Fiscal Responsibility

Finally, I mention a message that I shall th week send to the Congress,[3] in which I want aga to emphasize to them the importance of constru tive legislation in certain areas. Along with th I want to bring before their attention again t need for responsibility in handling the fiscal affai of this Nation, instead of believing that merel because you pass a bill that appropriates billio

[2] For text of an address by the President at a dinner sponsored by the Committee for International Economic Growth and the Committee To Strengthen the Frontiers of Freedom, see BULLETIN of May 23, 1960, p. 811.

[3] H. Doc. 385, 86th Cong., 2d sess. For text of an e cerpt from the message, see *ibid.*, p. 837.

for some affair, some activity, that this instantly solves the problem that it is intended to solve.

The soundness of the dollar is as important to the world and to us as any other factor I can think of. By this, I mean we must avoid debasement of our currency. Too much of world stability and world peace hangs on it. All of us must bear these truths in mind, and they must be part of what we teach.

By no means must we ever be niggardly in doing for our own people those things that need to be done. We do not forget, and I know the Chamber does not forget, those words of Lincoln when he insisted that it was the responsibility of government to do for the individual that which he cannot do at all or so well do by himself alone. But Lincoln added this admonition when he continued to say that, in all those incidents where the individual can do these things for himself, the Government ought not to interfere.

So, my friends, in these days when we are spending necessarily and properly billions and billions—unprecedented peacetime billions—for the mere purpose of insuring our own safety, of carrying on programs that have been established in our books in all kinds of welfare and health programs—necessary ones—but in which our appropriations have gone up for some of them in these past 7 years about four times, we must look at the whole fiscal arrangements of this Nation with the same prudence that you—as the head of a family or as a housewife does when he or she looks at the family budget and says each month we are going deeper in debt. From here where do we go?

The resources of this Nation are incalculable, but they are not inexhaustible.

As long as we keep these homely truths in our minds and live them as principles, rather than expedients that might be thought profitable in an election year, I really believe that we can, with great confidence, move forward toward our own ideals of prosperity, greater opportunity for the pursuit of happiness at home, equality among ourselves in all things before the law, and achievement of a sounder position for attaining a permanent and durable peace abroad.

World Trade Week, 1960

A PROCLAMATION[1]

WHEREAS the world has entered a new decade of increasing international development which promises to surpass all prior periods in economic progress and prosperity; and

WHEREAS this development creates an opportunity for our Nation and our friends abroad to share the mutual benefits from expanding world trade; and

WHEREAS expanded United States exports are essential to our healthy economic growth, add substantially to the millions of jobs already generated for our people by export trade, and contribute significantly to our capacity to sustain our international investment, travel, and trade; and

WHEREAS the Government has inaugurated a national Export Expansion Program[2] to increase the sale of United States products abroad and to improve the capacity of American business for international competition through the full application of the dynamic forces of our free-enterprise system:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby proclaim the week beginning May 15, 1960, as World Trade Week; and I request the appropriate Federal, State, and local officials to cooperate in the observance of that week.

I also urge business, labor, agricultural, educational, and civic groups, as well as the people of the United States generally, to observe World Trade Week with gatherings, discussions, exhibits, ceremonies, and other appropriate activities designed to emphasize the importance of world trade to our economy and to our relations with other nations.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this sixth day of May in the year of our Lord nineteen hundred and sixty, and of the Independence of the United States of America the one hundred and eighty-fourth.

[SEAL]

Dwight D. Eisenhower

By the President:
DOUGLAS DILLON,
Acting Secretary of State.

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[1] No. 3346; 25 *Fed. Reg.* 4273.

[2] BULLETIN of Apr. 11, 1960, p. 560.

Reduction of Foreign Import Restrictions

Statement by Charles W. Adair, Jr.
Deputy Assistant Secretary for Economic Affairs[1]

The past year has seen an acceleration of the movement toward a freer system of international trade. This has been the goal of the United States and other like-minded countries for over 20 years. In the prewar and wartime lend-lease agreements the United States and recipient nations agreed to work toward the elimination of discriminatory treatment in international trade as soon as this was practicable. In the General Agreement on Tariffs and Trade signed in 1947 the Contracting Parties agreed that discriminatory quantitative restrictions to trade were permissible only under certain exceptional circumstances. For most important countries these circumstances no longer prevail. As a result, over the past year there has been a wholesale reduction in import restrictions which discriminate against United States exports.[2]

Now I want to give you further details on what has been accomplished in this field and on the increased opportunities available to United States exporters. Before doing so, however, I would like to refer briefly to the place that getting rid of quota restrictions against our exports has in the broad picture of our foreign relations.

We have reached a stage where our friends abroad are able to assume a larger share of the responsibility for the security and economic development of the free world, and we are now engaged in improving the mechanisms for sharing this responsibility. Nevertheless, the United States interest continues to impose special obligations on us for contributing to the common defense and assisting the less developed countries in their attempt to achieve a self-sustaining pace of economic growth. The proper discharge of these obligations will continue to entail sizable transfers abroad of goods and funds in support of our foreign policy objectives. To do this and at the same time to maintain the value of the dollar as the basic currency of world trade means that we must bring to bear the full competitive strength of the United States economy. Thus the removal of arbitrary bars to United States exports—the products of the talent and energy of our farms, factories, workers, and management—is of direct importance to the accomplishment of our overall world objectives.

With the general improvement in economic conditions during 1958 and 1959, particularly in the industrialized areas of Western Europe, the major trading nations found it possible to establish external convertibility for their currencies. This movement generally removed the financial justification for the use of special restrictions against dollar goods. The balance of payments and the financial reserves of a number of important trading countries have reached the point where quantitative restrictions against imports from any country are no longer required on financial grounds.

Call for Reduction of Trade Barriers

The reduction of trade restrictions abroad, in particular those which discriminate against the United States, has long been an important element in United States policy. As general economic and trade conditions have improved around the world, the United States has pressed even more strongly for the removal of these discriminatory restrictions. In the meetings of the International Monetary Fund and the sessions of the Contracting

[1] Filed with the Senate Interstate and Foreign Commerce Committee on Apr. 26 (press release 215).

[2] For a country-by-country summary of relaxations of restrictions on U.S. exports, see p. 873.

Parties to the General Agreement on Tariffs and Trade, the United States has called for the rapid elimination of discriminatory restrictions and for the relaxation of quantitative controls in general. Through our association with the Organization for European Economic Cooperation the United States has urged that European countries extend intra-European import liberalization to the United States and to other GATT countries. At the same time the United States has made strong representations directly to the principal trading countries using import restrictions, urging the prompt removal of discrimination and the early relaxation of remaining quantitative restrictions, whether or not discriminatory.

With its rules forbidding discrimination in foreign trade except under carefully defined circumstances, the GATT has proved extremely effective in these efforts to remove discrimination. The major work of the 15th session of the Contracting Parties to GATT, which met last summer, dealt with the removal or reduction of government impediments to trade, largely quantitative controls over imports.[3] At that session the Contracting Parties adopted a report which concluded that discrimination in trade on balance-of-payments grounds should quickly be ended. Furthermore, each year there is an examination of the import restrictions imposed on balance-of-payments grounds by countries adhering to the GATT. The countries are urged, during these consultations, to relax as much as possible their trade restrictions maintained for balance-of-payments reasons and to eliminate them if they are no longer required on financial grounds.

There has been widespread recognition in other forums also that, with the change in economic and financial conditions, import restrictions should be relaxed. The International Monetary Fund has called upon member countries with current receipts largely in convertible currencies to eliminate discriminatory restrictions with all feasible speed.[4] In a report published this month[5] the United Nations Economic Commission for Europe advises European countries to remove barriers against American goods in order to absorb excess purchasing power at home and prevent inflation.

Steps Taken To Reduce Discrimination

The response throughout the world to United States requests that discrimination be removed has been encouraging. Since 1958 all of the Western European countries have taken steps to reduce discrimination and many of them have liberalized over 90 percent of their trade with the dollar area (based on the 1953 value of private trade). Japan has moved to relax import controls and has announced that further measures will be taken during 1960 and early 1961. Many countries in Africa, Asia, and South America have gone far toward removing discrimination, although they maintain many nondiscriminatory quantitative restrictions.

Specifically, the United Kingdom announced liberalization moves in August and November 1959 and in January 1960, freeing such commodities as butter, textiles and clothing, tobacco, machinery, and photographic equipment from controls. The United Kingdom now imposes discriminatory controls directed at the dollar area on only 10 commodities.

In announcements of September, November, and December 1959 and April 1960, France freed such commodities as outboard motors, cotton textiles, nylon and synthetic fabrics, automobiles, and phonograph records from discriminatory restrictions. Although France still imposes quantitative controls on a fairly large number of commodities, on only 21 products are these controls discriminatory.

Sweden, Denmark, Portugal, Norway, Switzerland, Belgium, and the Netherlands have virtually removed discrimination and in most cases have taken steps to relax quantitative controls in general.

In addition Germany, Italy, Austria, Finland, and Spain have taken steps within the past year to lessen discrimination on imports from the United States.

In other parts of the world Australia and New Zealand have almost eliminated discrimination and have taken steps to liberalize trade in general. India has removed discrimination, but quantitative controls remain in effect for balance-of-payments reasons. Japan, as noted earlier, has taken

[3] For a report of the U.S. delegation, see BULLETIN of Dec. 7, 1959, p. 843.

[4] For text of the IMF announcement and decision, see *id.*, Nov. 9, 1959, p. 681.

[5] *Economic Survey of Europe in 1959*, U.N. publication 1960. II. E. 1., 364 pp.; for sale by the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. ($3).

some steps to liberalize trade and to remove discrimination and has announced its intention to take further steps in the near future. The Federation of Rhodesia and Nyasaland, Kenya, British East Africa, Ghana, Malaya, Singapore, Argentina, Chile, Peru, and Uruguay have all taken some steps to reduce their trade restrictions.

There still are areas where discrimination remains a problem. There are countries which have moved more slowly than their financial condition warrants in reducing discrimination, and there are commodities which more than others are hampered by general quantitative restrictions. Italy has lagged behind the other Western European countries in liberalizing products from the United States. The list of products under quantitative import restriction when imported into Italy from members of the Organization for European Economic Cooperation comprises only 133 tariff classifications; the corresponding list for dollar imports consists of 2,071 tariff classifications. There is a similar problem, although less serious, with Austria, which imposes quantitative restrictions on a long list of commodities and which still maintains discriminatory restrictions on some important agricultural commodities and textiles.

In general the restrictions which are still applied by European countries have their most restrictive effect on agricultural commodities. Such important United States products as fresh and processed fruit, wheat, tobacco, canned meats, poultry, barley, and corn are still under quantitative import restriction in many European countries.

Many of the less developed countries in Africa, Asia, and South America still employ quantitative import restrictions; in some cases these restrictions have been tightened in recent months because of balance-of-payments difficulties. However, in most cases these restrictions are not discriminatory and United States exporters have an opportunity to compete with other exporters for the available market.

Outlook for Future

We can say, however, that discrimination has become the exception rather than the rule in international trade. We are confident that there will be further progress in the coming months and that by the end of the year, quota discriminatio against our exports will be virtually a thing o the past.

As discrimination is removed, United State exporters have increasing opportunities to partic ipate in the new and expanding markets over seas. We estimate that the actions taken to re move quantitative import restrictions since 195 in Western Europe alone have increased the poten tial American market by roughly half a billio dollars. The measures taken by the oversea sterling area countries, by Japan, and by man other countries in Africa, Asia, and South Amer ica will improve United States export prospect in those areas as well. And as markets gro overseas, United States exports will also grow.

In September of this year the United States wil again be negotiating for reductions in foreig tariffs. We hope that as a result of these negotia tions the tariff barriers to our exports will be re duced and that our exporters will have greate opportunities to increase their sales.

In concluding I think it relevant to note her that, as the members of the committee alread know, the executive branch is expanding its facili ties to help United States businessmen sell mo goods in the growing markets of the free-worl countries.[6] Thus we are not only continuing th work of reducing governmental barriers to Unite States exports, but we are seeking to help ou business community extend its activities in th world market. When you consider that in West ern Europe alone the overall measure of economi activity shows an increase from $125 billion i 1950 to $240 billion in 1958, and you realize tha in these countries foreign trade accounts for a much as a third of the total flow of goods an services, you gain a better picture of the poten tial trade opportunities for United States busines abroad. We hope that the work of this committe will help bring home to American business th impressive new potentialities for United State exports and that our business and industry wil respond with the vigor and initiative which al the world recognizes as basic American qualities

[6] For background, see BULLETIN of Apr. 11, 1960, p. 56

U.S. Summarizes Moves by Foreign Countries To Lift Restrictions on U.S. Exports

Following is an announcement on trade liberalization released jointly by the Departments of State, Commerce, and Agriculture, together with country summaries on relaxation of quantitative restrictions against U.S. exports.

Department of State press release 208 dated April 25

JOINT ANNOUNCEMENT

The liquidation of many of the restrictions on foreign trade which have persisted since World War II has been accelerating in the past 2 years. More specifically, foreign countries have been dropping those quantitative import controls which discriminate against goods from the United States. The major exception has been a number of agricultural commodities. This year we expect to see the virtual elimination of discriminatory treatment including that affecting agricultural products. We also expect that there will continue to be a sharp reduction in the use of quantitative controls over trade generally.

The immediate spark of the current movement toward trade liberalization was the establishment of external currency convertibility in December 1958 by the major trading countries of Western Europe. This removed the financial basis for the application of discriminatory controls over imports from the dollar area. The International Monetary Fund and the Contracting Parties to the General Agreement on Tariffs and Trade (GATT) have called upon member countries generally to eliminate discriminatory restrictions with all feasible speed. In addition a number of important countries have reached a point where they no longer require quantitative restrictions previously justified on financial grounds.

The basic reason for the return to conditions of greater freedom in world trade is to be found in the health and vigor of the world economy. The postwar economic recovery and growth of Western Europe and Japan have been phenomenal. The vigor which these economies have shown could not have been foreseen a decade ago. Many factors, including Marshall plan aid, have contributed to this. But the resourcefulness, imagination, and vitality of the people was the essential ingredient for success.

The U.S. balance-of-payments deficit, which has been the subject of much recent attention, has been in large part the reverse side of this picture. The recovery of Western Europe and Japan has made them stronger competitors at home as well as abroad. This strength has been reflected in increases in their gold and dollar holdings. These increases provided the basis for the movement we are now witnessing—a return to a healthier and freer world economy. As American producers take advantage of trade liberalization abroad, added exports will tend to reduce the balance-of-payments deficit.

Since 1958 the removal of quantitative restrictions which discriminated against the United States increased the potential market for American goods in Western Europe alone by an estimated half billion dollars per year. If American exporters perform only as well as they have in recent years, they should be able to enlarge their exports to Western Europe by roughly this amount. Similar measures taken by the overseas sterling area countries, Japan, and elsewhere have also improved U.S. export prospects in those areas. As U.S. exporters improve their efforts and as overseas markets grow, U.S. exports will also grow.

With government licensing of imports (except in the case of a number of farm products) rapidly disappearing as a major factor in limiting U.S. business opportunities abroad, tariffs are becoming the most important barriers to our export

trade. Concessions which have been granted by foreign countries in the form of tariff reductions or bindings on products imported from the United States are achieving enhanced significance. We hope to see these tariff barriers reduced further through the multilateral tariff conference beginning in September 1960, in which the United States will again be negotiating for reductions in foreign tariffs in return for reductions in U.S. tariffs.

Attached is a detailed statement of the trade liberalization actions taken by foreign countries during the past year. The highlights of these movements are as follows:

The United Kingdom announced liberalization moves in August and November 1959 and in January 1960, freeing such commodities as butter, textiles and clothing, tobacco, machinery, and photographic equipment from controls. By these actions the United Kingdom has eliminated discriminatory restrictions on most commodities and has greatly reduced the number of commodities under quantitative restrictions.

During 1959 France freed more goods from quantitative import restrictions than at any time since the war. With liberalization announcements in September, November, and December 1959 and April 1960, France reduced the gap between the OEEC [Organization for European Economic Cooperation] and dollar liberalization lists to 21 items. Such U.S. commodities as outboard motors, cotton textiles, nylon and synthetic fabrics, and automobiles may now be exported to France more easily as a result of these moves.

The following other countries have taken steps in recent months to remove some quantitative and other restrictions which have hampered the flow of United States exports: the Netherlands, Sweden, Denmark, Norway, Germany, Italy, Finland, Austria, Portugal, Spain, Tunisia, Australia, New Zealand, India, the Federation of Rhodesia and Nyasaland, the Union of South Africa, Kenya, Malaya, Singapore, British East Africa, Japan, Argentina, Brazil, Chile, Peru, and Uruguay. Many of these countries have either eliminated discrimination or have reduced it to a small number of commodities.

In general the restrictions which are still applied by European countries have their most restrictive effect on imports of agricultural products. Such important U.S. products as fresh and processed fruit, wheat, tobacco, canned meats, poultry, barley, and corn are still under import controls in many European countries. Quantitative restrictions are also still applied by many countries in Africa, Asia, and South America on a wide variety of "luxury" products in order to conserve foreign exchange for most essential imports; however, most of these restrictions are applied on a nondiscriminatory basis.

In the coming months the U.S. Government will, through such forums as those provided by the General Agreement on Tariffs and Trade and the International Monetary Fund and through bilateral discussions, continue its vigorous efforts to bring about the rapid elimination of quantitative restrictions still in force and thus to increase the potential foreign market for U.S. exports.

COUNTRY SUMMARIES

Argentina [1]

Until the end of 1958 Argentina maintained a rigid import control system. Effective December 30, 1958, a new foreign trade and exchange system was inaugurated which abolished the prohibitions and area discriminations formerly in force.

Under the new arrangement imports were made subject to exchange surcharges ranging from 20 to 300 percent of their c. & f. value, and advance deposits ranging from 50 to 500 percent were required. Toward the end of 1959, however, Argentina took steps to relax this system, eliminating the high surcharges on certain agricultural machinery and equipment, drastically reducing certain other surcharges and entirely abolishing the prior deposit requirement. This action is expected to result in a moderate increase in the volume of imports into Argentina.

Australia [2]

A series of trade liberalization measures introduced by Australia on April 1, August 1, and December 1, 1959, and February 23, 1960, remove import licensing discrimination on all dollar imports except motor vehicles. The Australian Minister of Trade stated on November 29, 1959, that discrimination on motor vehicles would be ended by October 1, 1960.

While Australia in 1959 continued to exercise control over the general level of imports by the use of global

[1] Countries not adhering to the GATT but with which the United States maintains bilateral trade agreements.

[2] Countries adhering to the GATT.

quotas for some products and of nondiscriminatory individual licensing for others, later in the year many raw materials, components, and equipment for industry were either exempted from licensing or were placed under an import replacement system whereby licenses are obtainable up to the level of current consumption. On February 23, 1960, all goods imported into Australia, except motor vehicles of dollar origin and about 200 other items, mainly consumer goods, were exempted from import licensing. Licensing controls and global quotas were continued temporarily on these 200 items, and quotas were increased by 20 percent.

At the beginning of 1959 controls were designed to limit global imports to an annual level equivalent to $1.8 billion. However, on August 1, 1959, the annual global program was raised by $112 million and on December 1, 1959, by an additional $56 million, so that, at the beginning of 1960, global imports were being programed at an annual rate of about $2 billion. With the further liberalization of February 23, 1960, total imports are expected to increase to an annual rate of about $2.2 billion.

Austria [2]

Austrian imports fall into three general categories: (1) goods not requiring individually validated import licenses, including all commodities which enter duty free or which are not listed in annexes to the foreign exchange law; (2) goods listed in an appendix to the exchange law which require an individually validated import license regardless of source; and (3) commodities listed in annexes to the exchange law which are liberalized, depending on source, and which may be imported with a few exceptions under a general license. There is discrimination in the Austrian system, since in the latter category the list of "liberalized" commodities applicable to the dollar area is smaller than that applicable to the OEEC.

In the first liberalization move since 1956, the Austrian Government on October 15, 1959, put into effect an expanded dollar liberalization list which eliminated virtually all discrimination in the liberalized sector between the licensing of industrial imports from the OEEC area on one hand and the United States and Canada on the other. Certain textiles, however, still remain subject to licensing when imported from the United States and Canada, though liberalized for OEEC countries. In the agricultural sector, discrimination in import licensing remains for corn (maize), barley, rye, and poultry.

Among the more important items added to the liberalization list by the October 15 action are figs, legumes, dehydrated vegetables, oil fruits and seeds, marine fish, beer, liqueurs, cocoa butter and powder, chocolate, canned fruit, cheese, sponges, motor vehicles, vehicle motors, pneumatic tools, perfumes, mirror and plate glass, wax cloth, unexposed films, cotton linters, hemp, jute, felt, silk, yarns, velvet fabrics and ribbons, tulle, lace curtains, bituminous coal, coke, bituminous coal and lignite briquettes, certain wood products, a variety of chemicals, glycerin, X-ray barium, and synthetic tanning extracts.

Belgian Congo [2]

The Congo has a single-column tariff, and, although licenses are required, imports enter freely regardless of country of origin. Exchange control is a mere formality and dollar exchange is readily available.

Belgium-Luxembourg [2]

Most commodities imported into Belgium-Luxembourg (BLEU) are subject only to ordinary customs documentation. BLEU controls over imports from both dollar and nondollar sources are identical. At present only 160 tariff classifications out of several thousand tariff positions and subpositions are wholly or partly subject to import licensing including the items under the so-called Benelux global quotas and the commodities included in the GATT waivers for these two countries. Except in the case of a number of agricultural commodities, requests for licenses are usually granted.

Global quotas for the whole of Benelux—i.e. Belgium, Netherlands, and Luxembourg—exist on a small number of items. These quotas are subdivided into two parts, one applying to imports from the other Common Market countries and the other to imports from third countries, including the United States. The commodities concerned are: castor oil other than crude, certain fatty acids, methyl chloride, penicillin, wooden packing cases, fish nets, and new and used automobiles. The United States has a trade interest in several of these commodities, but the quotas apparently have no appreciable restrictive effect on United States goods.

Import quotas on some agricultural products are maintained by the BLEU countries under the waivers granted by the Contracting Parties to the General Agreement on Tariffs and Trade in 1955. These products include: fruits and vegetables (subject to seasonal controls), meat and meat products, dairy products and eggs, potatoes, and seed grain. In the 1959–60 season Belgium opened its market to apples and pears almost 4 months earlier than usual. Wheat is effectively controlled by a requirement that imports be only a stated percentage of domestic production.

Brazil [2]

With a few limited exceptions, Brazil does not impose quantitative restrictions, as such, on imports. Imported goods, however, are subject to control through an exchange mechanism under which importers are required to bid at public auctions for the foreign exchange required to pay for imports. For this purpose merchandise imports are classified into two categories: "general"—covering raw materials, industrial equipment, and essential consumer goods—and "special"—covering nonessential or luxury goods. Only a small percentage of available exchange is allocated for auction in the "special" category. Purchases for the account of the Government and its agencies, as well as certain imports considered essential, such as wheat, newsprint, oil-well equipment, petroleum and derivatives, rubber, aviation equipment, and equipment for electric-power development, fall outside of these

categories and are granted foreign exchange at preferential rates.

Exchange auctions for imports in the private sector are held in 10 commercial exchanges. Amounts of foreign exchange allocated for auction are based upon a foreign exchange budget, prepared on the basis of anticipated exchange receipts and the needs of the Government and other sectors not required to purchase exchange at the auction.

Exchange certificates supplied on the basis of auction are valid for imports from specified sources, that is, (1) countries having convertible currencies and (2) those with nonconvertible currencies, the latter including a number of countries with which Brazil has negotiated bilateral trade and payments agreements. Under this system imports from the United States compete on an equal basis with those from other countries with convertible currencies. However, in some cases the United States is at a disadvantage when competing against countries which have bilateral trade agreements with Brazil. Dried fruit and fresh deciduous fruit are U.S. exports which are at a disadvantage under this system.

Bermuda [2]

The only import controls employed by Bermuda in 1959 were on 13 commodities, whose importation from the dollar area was prohibited. On November 21, 1959, this list was reduced to two items: motorcycles and bicycle propulsion units. The Government of Bermuda has announced that even these prohibitions will be lifted and that from May 1, 1960, no import controls will be imposed.

Burma [2]

Burma's import licensing policy continues to be highly restrictive in view of the country's continuing adverse balance of payments. Many categories of goods require specific import licenses, and the importation of less essential goods is severely limited or prohibited.

During 1959 Burma liberalized considerably its treatment of dollar imports by making the dollar area a permissible source of many commodities under open general license. Some of the remaining discrimination against the dollar area arises from the reservation of certain types of imports for procurement under the Japanese reparations program. Since Burma is now tending to abandon barter sales, prospects for further liberalization of dollar imports in the near future may improve.

Cambodia [2]

Cambodia restricts imports mainly through licensing and exchange controls. The Ministry of National Economy prepares an import budget each year, earmarking specific amounts for various categories of imports, including both those financed by the International Cooperation Administration (under the commercial import program) and by Cambodia from its own foreign exchange reserves. Foreign exchange is allocated semiannually by the National Bank of Cambodia to the Ministry of National Economy. The latter delegates authority to process applications for import licenses and for exchange to the Committee for Foreign Exchange Allocation (*Commission de repartition des devises*).

Some imports are financed outside the import budget, principally those financed under the so-called EFAC (*Compte exportation-frais accessoires*) system. Under this arrangement an exporter of selected products is allowed to retain a certain percentage of exchange proceeds from exports—either 10 or 13 percent for most commodities—which he may sell or use himself for importing approved imports. The retention of 13 percent is allowed for exports in dollars and other currencies freely convertible into dollars; the added premium is designed to encourage sales in hard currencies. Imports involving no allocation of foreign exchange, with minor exceptions, are no longer permitted.

With respect to imports financed from Cambodia's own foreign exchange holdings, more French francs than dollars are allocated. The French franc–riel rate (10 French francs equal 1 riel) fosters Cambodian exports to France but tends to discourage Cambodian imports from France. Cambodian earnings from exports to France are in resident francs, which are not convertible and therefore ordinarily must be used to purchase French goods.

There was no significant tightening or relaxing of Cambodian import controls during the year.

Canada [2]

Canada eliminated foreign exchange licensing in 1951 and has only a few items subject to quantitative controls. Some of these controls are associated with Canadian subsidies on domestic production; some are imposed for strategic purposes; while others represent permanent statutory prohibitions under the tariff and customs law to protect Canadian production of certain products.

The Export and Import Permits Act provides for the control of imports for specified purposes. The most important of these is authority to control imports of any commodity which is under price support in Canada. At the present time this applies to butter, butter fat, cheddar cheese, dried skim milk, and turkeys. These require special import permits. An import quota of 1 million pounds per quarter was established in 1959 for U.S. turkeys, but this total of 4 million pounds a year is considerably below the 13 million pounds imported from the United States in 1956, the last complete year during which imports were unrestricted. The restrictions affect only the United States as the United States has been Canada's sole foreign supplier of turkeys. Canada's import prohibition on swine and uncooked pork and pork products from the United States, in effect since 1953, was removed in January 1960 following notification from the U.S. Government that the United States is now free of vesicular exanthema.

Under the Canadian Wheat Board Act, wheat, wheat flour, and wheat starch; oats, including ground, crimped, crushed, rolled, and meal; and barley, including ground, crimped, meal, and flour, are subject to import licensing by the Canadian Wheat Board, which is the Government marketing agency. Imports are small. Despite the competitive strength of Canadian production, there are some

years when the restriction directly reduces imports from the United States. In 1959, for example, oats from the United States would have entered Canada in substantial quantities because of the price relationship had not Canada maintained control over imports.

Under the Export and Import Permits Act, Canada can also control imports (1) of a commodity by arrangement with the supplying country and (2) of a commodity which is subject to international allocation. The import control on tin, effective from October 1, 1958, in order to prevent importation of that commodity from the Soviet bloc, was removed effective March 12, 1959, after Russia reached an agreement with the International Tin Council in January to limit its exports of tin.

The Customs Tariff Act prohibits the import of oleomargarine, butterine, and other butter substitutes, although the ingredients of butter substitutes may be imported. This is a longstanding restriction antedating GATT and handicaps imports even into those provinces where the manufacture and sale of oleomargarine are permitted.

The Customs Tariff Act also prohibits the importation of used motor vehicles of all kinds manufactured prior to the year in which importation is sought. Secondhand aircraft imports, regardless of the year of manufacture, are also embargoed. This control also antedates GATT.

Under Canada's Atomic Energy Control Act, import permits are required for the importation of fissionable materials and radioactive isotopes or any equipment which may be used for the production, use, or application of atomic energy. This control is for strategic rather than for commercial purposes.

During 1959 control over import and export of gas in Canada, including hydrocarbons and export of electric power, passed to the National Energy Board, a new advisory and regulatory body. The board took over the gas and power controls formerly vested in the Minister of Trade and Commerce and the Board of Transport Commissioners. The board has reserve power to regulate oil import and export. This authority will not be exercised until an order-in-council is issued placing the trade under control.

The Provinces have a monopoly of the sale of alcoholic beverages, and Provincial licenses are necessary to admit shipments. Most Provinces are willing to give hotels and clubs permits to import for private stock but will not carry U.S. products in the Government-operated liquor stores. This Provincial licensing antedates GATT.

Ceylon [2]

While most commodities may be imported freely without an individual import license, a substantial number of consumer goods still require an individual license when imported from the dollar area. In October 1959 the Government of Ceylon relaxed restrictions on imports of some goods from the dollar area.

All commodities under individual license from the dollar area may now be imported freely by registered Ceylonese traders or indent agents. For non-Ceylonese firms the license quota on textiles was raised from 10 percent to 20 percent of their 1951 imports and the quota for all other items under license from the dollar area raised from 50 percent to 100 percent of their 1951 imports.

Chile [2]

Chile took steps in 1959 further to liberalize imports. On April 29, 1959, a decree was promulgated that permitted the importation of all merchandise into Chile. Previously only goods appearing on the list of permitted imports were allowed entry.

The significance of the step was diminished, however, because the institution of a requirement of high prior import deposits made the cost of importing some consumer goods, and some goods produced in sufficient quantities domestically, virtually prohibitive. This prior import deposit system required importers to deposit from 5 to 5,000 percent of the c.i.f. value (depending on the essentiality of the import) with an authorized bank in Chile. The deposit was returned to the importer 30 to 90 days (also depending on the essentiality of the import) after the date of deposit. The Government later announced its intention to replace the prior import deposit system with surcharges on imports ranging from 10 to 200 percent of c.i.f. value. In June 1959 Chile took a first major step in implementing this plan when it reduced substantially the prior import deposits on a large list of merchandise to the levels of newly established surcharges. The reduced deposit is applied against the surcharge; so this system amounts to the collection of surcharges in advance of importation of the goods. Subsequent decrees have broadened the amount of merchandise now subject to import duty surcharges, and the prior deposits have accordingly been reduced to the levels of the new surcharges for many items. However, there remain many goods that are still subject to the old prior import deposit system.

On December 30, 1959, the 5,000 percent prior import deposit category was reduced to 3,500 percent, and the Government has again stated that it intends to eliminate the prior deposit system in 1961.

Colombia

Colombia maintained its import austerity program during 1959 through a system of import licensing and prohibitions. This program was initiated in mid-1956, when it became evident that measures would have to be taken to conserve foreign exchange.

Colombia maintains a list of commodities the importation of which is prohibited and a list of products subject to quantitative import licensing restrictions. All imports into Colombia require prior registration which, except in the case of books, magazines, and shipments valued at $20 or less, must be applied for by the importer prior to placing the order abroad. Import licenses are issued subject in each instance to the discretionary approval of the National Superintendency of Imports. These imports are also subject to advance deposit requirements. In July 1959 these advance deposits were increased, for the largest group of imports, from 100 to 130 percent of the value of the order, and at the same time the period for which these advance deposits are

retained was extended from 60 to 90 days after clearance of commodities through customs.

Coffee, from which Colombia receives about 80 percent of her foreign exchange, fell almost 45 percent in price in the 2 years 1957 and 1958. However, under the recent coffee agreement with other Latin American and African producers, Colombia now has an export quota equivalent to about 90 percent of her exportable coffee production. Barring any further drastic decline in the price of coffee, Colombia's payments situation is not expected to deteriorate further in 1960. Imports may even be allowed to increase as much as 20 percent from the 1959 level of $31.4 million per month to permit imports of capital goods and raw materials needed by industry.

Cuba [2]

Cuba, which had previously employed import restrictions only in a few cases, intensified the control system during 1959. Import licensing controls on some 200 nonessential commodities were established in early February 1959. While licensing requirements were not a restrictive factor in limiting imports during the first 5 or 6 months, the mandatory mode of payment for the controlled items (letter of credit) had a restrictive effect on imports of those specific commodities.

Exchange registration procedures established in late August in connection with the payment for all imports had a restrictive effect. Foreign suppliers tightened credit terms, and many importers found it difficult to finance peso deposit requirements.

Exchange surcharges, ranging from 30 to 100 percent, were imposed in September on the 200 nonessential commodities then requiring import licenses.

In mid-December a new regulation placed most remaining imports under licensing control. This regulation was supplemental to the import control regulation of early February, and the two together now cover all merchandise trade.

In summary, virtually all commercial imports now require prior import licenses from the Cuban Monetary Stabilization Fund. All foreign exchange transfers in payment for imports also must be approved by the Fund. There is no evidence that the Cuban Government discriminated against imports from the United States in 1959.

Indirect trade restrictions included the imposition of internal taxes on such imported foodstuffs as potatoes, flour, and rice. In addition to the internal taxes the Cuban Government established tie-in conditions on imports of rice and flour, requiring importers to purchase one bag of domestic rice for each two bags imported and one bag of domestic flour for each bag imported. The tie-in requirement on domestic flour purchases was abolished in early 1960. Packaged rice in containers weighing less than 100 pounds is now prohibited.

Denmark [2]

Denmark maintains import controls on a very limited number of consumer goods and agricultural products. Except in the case of agricultural products, licenses are granted freely, depending upon the availability of foreign exchange and needs of the national economy.

On January 1, 1959, Denmark increased its dollar liberalization from 66 to 70 percent (based on 1953 imports). On April 1, 1959, the Danish Government removed licensing controls on a further substantial number of dollar imports. This move brought the dollar liberalization percentage to 86 percent and eliminated all discrimination against dollar goods in the liberalized sector of Danish import trade. On November 10, 1959, the Danish Government proposed an extensive liberalization of imports from the OEEC and dollar area to take effect simultaneously with a proposed tariff revision; this was effected on March 1, 1960. This step increases the percentage of goods which may be imported freely from the OEEC and dollar area from 86 to 96 percent of 1948 imports. Among the items of interest to the United States, liberalized on March 1, 1960, are films, tobacco products, canned pineapple, citrus fruits, apricots and peaches, toiletries and cosmetics, textile goods, glassware, metal products, special machinery including agricultural and electrical, vehicles, musical instruments, and leather goods.

Effective December 15, 1959, Danish regional import quotas were made applicable to imports from the dollar area. This extension applied also to import licenses already issued but not yet utilized. With this step Denmark has erased the last significant area of dollar discrimination.

Dominican Republic [2]

Import licenses are not required except for wheat, wheat flour, and several other commodities whose import value is not significant.

In January 1959 the Dominican Government removed several commodities from import licensing requirements, including: glass bottles, empty sacks, barbed wire, staples, and treated wood posts. Later in the year import licensing requirements were established for heavy highway-construction machinery, milk and milk products, and centrifugal cast-iron pipe and were reestablished on barbed wire. Imports of automobiles are being limited to 50 percent of the value of a past representative period.

Technically, formal exchange permits have not been required, but each individual foreign exchange transfer requires the administrative approval of the Central Bank. Informally, deferrals of exchange remittances have been effected, and in the last quarter of 1959 approvals for exchange transfers in payment of imports were being granted with considerable delay; however, there was some improvement in early 1960.

Internal consumption taxes on 58 import commodities, ranging from 5 to 15 percent ad valorem, and some specific taxes were established in June 1959.

There was no discrimination against U.S. imports in 1959.

El Salvador [1]

El Salvador ordinarily does not impose quantitative restrictions on imports from any source.

Finland [2]

Under present Finnish import control procedures, which were announced on December 31, 1959, goods subject to import licensing requirements may be divided into two main categories: (1) imports which are licensed automatically or without quantitative restrictions; (2) goods which are licensed under a global quota system.

Import licenses are issued automatically for certain specified goods which may be imported from: (1) countries with which Finland still has bilateral trade agreements; (2) the dollar area; (3) those sterling area countries which remain outside the free-list system. Under global quota licensing participation is open to all except bilateral agreement countries.

Restrictions on dollar imports were progressively liberalized in 1959. On April 10, 1959, additional quotas were opened to dollar area imports and licensing of dollar area goods without quantitative restrictions was administratively extended to a broad range of commodities. According to the Finnish Government calculations, in April 1959, 73 percent of dollar imports (based on 1954 imports) were automatically licensed or licensed without quantitative restrictions as compared with 40–42 percent previously.

Imports from the United States and Canada were put on the same basis as those from Western Europe effective January 1, 1960. With this move the list of goods which could be imported without license from Western European countries participating in multilateral trade arrangements with Finland was applied to the United States and Canada and the global import quotas available to the participating countries were made fully available to the whole dollar area. The automatic licensing list previously applicable to the dollar area remains applicable to the dollar area other than the United States and Canada. Under this most recent liberalization the Finnish authorities state that the free list constitutes an 82 percent liberalization calculated on the basis of 1954 imports.

France [2]

During 1959 France made significant progress in the liberalization of its dollar imports and in narrowing the difference in treatment of imports from the dollar area and the OEEC. Since December 28, 1958, when dollar liberalization stood at zero, about 88 percent of French imports from the United States (based on 1953 trade) have been freed from quantitative import restrictions. In addition French authorities have taken a series of measures to remove the differences between the dollar and the OEEC liberalization lists. At present liberalization of only about 20 items has been limited to the OEEC area, and most of these are expected to be liberalized for the dollar area within the next 18 months.

Commodities liberalized for the United States cover a wide range of American products, the most important of which include, in addition to raw materials and semi-manufactured products, cotton textiles, wool and rayon clothing, nylon and other synthetic fabrics, acrylic fibers and threads, tires, many chemicals, certain machine tools, all automobiles, wheeled tractors, whisky, honey, low-alcohol-content beer, dried and smoked fish, fatty acids, etc. The removal of quantitative restrictions has also improved the market opportunities for other American goods such as washing machines, hand tools, absorption refrigerating equipment, electric water heaters, space-heating electric apparatus, electric irons, and numerous other goods. However, many agricultural commodities are still under quantitative restrictions, regardless of the area of origin.

Further trade liberalization measures are expected, and the French Government has emphasized that henceforth such measures will automatically apply both to the dollar and OEEC areas. The French authorities have stated they intend to abolish all quota restrictions on industrial imports by the end of 1961.

French Caribbean Territories [2]

A long list of commodities freed from import licensing control by France on July 23, 1959 (with the exceptions of beer, most types of heavy timber, and sawn lumber), were also freed by French Guiana, Guadeloupe, and Martinique on August 5, 1959. Many products that could be imported only from European suppliers or which could be obtained from North America only under strict licensing control may now be imported from the United States and Canada without such controls.

Liberalization actions taken by France on July 30, September 26, November 5, and December 24, 1959, are not yet in effect for the French Caribbean. Issuance of licenses for nonliberalized goods depends upon internal considerations and the availability of exchange allotments.

Federal Republic of Germany [2]

The Federal Republic, which by January 1958 had liberalized 95 percent of private dollar imports (based on such imports in 1953), reimposed some restrictions in late 1958 but freed further commodities from restrictions during 1959.

During 1958 excessive accumulation of unmarked coal in the Federal Republic threatened to cause serious unemployment in the domestic mining industry, and in September the Government placed coal under import restrictions from all countries except members of the European Coal and Steel Community. In February 1959 a $4.78 per ton tariff with provision for a duty-free quota was imposed on all imports of coal. This arrangement is scheduled to run through 1960, although the Federal Government can increase the duty-free quota (which is based on average annual coal imports from non-ECSC countries during the period 1955 through 1958) by 20 percent if overall economic conditions warrant such action. The temporary reimposition of licensing of coal imports reduced the German dollar liberalization percentage from 95 to 86.7 at the end of 1958.

In May 1959 the entire problem of remaining German import restrictions was reviewed by the Contracting Parties to the GATT. The GATT decision arising from this review sets forth the Federal Republic's commitment to liberalize about half by value of those commodities then subject to quantitative restrictions; commodities not

specifically scheduled for liberalization by certain dates during the following 3 years were made subject to continuing consultations, with a full review of the problem scheduled to take place at the end of the 3-year period. Germany was permitted, however, to continue restrictions on imports of jute fabrics, imitation pearls, and neat leather for a 5-year period, with progressively increased import quotas to become effective each year during that period.

Under the terms of the 1959 GATT decision 160 industrial and agricultural items were liberalized on July 1, 1959, for importation from all currency areas. Effective January 1, 1960, an additional 77 industrial and agricultural items were added to the liberalization list. There still remains, however, some discrimination on imports from the dollar area. Licensing controls still applied by Germany on imports from the dollar area weigh most heavily on agricultural imports.

Among the more important items added to the dollar liberalization list during 1959 were various seeds; fruit juices; various vegetable products; chemicals and chemical products; some machinery items and parts; plastic household articles; tubes and tires for bicycles, motor scooters, and motor cars; several types of leather; kraft paper and cardboard; some types of textiles; eyeglasses, and buttons. Also included were poultry (except chicken), fish, plants, fresh vegetables, fresh fruits (except apples and pears), milling products, edible oils, sugar and chocolate confectionery, milk albumen, bakery products, and flax.

Products not specifically scheduled for liberalization in the near future under the 1959 GATT decision are the subject of continuing consultations with the Federal Republic. These are mainly products subject to the German agricultural marketing laws.

Ghana [2]

The Government of Ghana maintains a system of import and exchange controls which requires the issuance of a specific import license for a few dollar goods. Such licenses are freely issued, however, and generally do not prevent the importation of any U.S. goods.

Effective March 19, 1960, the Government of Ghana removed licensing requirements for all dollar goods except motion picture films, petroleum products, gold, unmanufactured tobacco, tobacco manufactures, arms and ammunition, and explosives.

Greece [2]

From April 1953 through 1958, imports into Greece were generally free of import restrictions. Except for nine items of a luxury nature and certain tools and machinery subject to licensing controls and for a few items under state-trading programs (chiefly wheat, flour, fertilizers, and kerosene), applications to the Bank of Greece to import were approved automatically, provided importers made the necessary deposits of local currency when filing applications. The amounts of the deposits varied with the commodity and were increased generally from a level ranging from 15 to 100 percent to a level ranging from 70 to 140 percent of the estimated cost of foreign purchase in 1958.

In 1957 and 1958 reserves dropped by about 25 percent. To halt this decline Greece in April 1959 established global quotas, not applicable to imports from bilateral trading partners (and therefore discriminatory against the United States and many other nations), on imports of frozen meat, lumber, coal, iron and steel products, sewing machines, electrical equipment, woodpulp, and tires and tubes. At the same time imports of textiles, passenger cars, trucks, buses, and chassis were subjected to licensing controls. Previously the list of machinery and tool items subject to licensing had been increased from 38 to 54 groups of items in January. Sugar was subjected to licensing in July, and in August the deposit on applications for licenses to import textiles was increased to 280 percent. In September eight more types of agricultural machines were added to licensing controls and imports of kerosene for all areas placed under state trading.

On October 1 a regulation limiting the size of replacements or additions to the taxicab fleet in the Athens-Piraeus area to vehicles of not more than 4.5 meters in length and 13 statutory horsepower became effective, thereby prohibiting use of any American-made car as a taxi. This removed the chief market for U.S. cars in Greece. Later in October, rice, which had been embargoed in September, was placed under licensing controls. Quota control on frozen meat was lifted in October because of the inability of Greek importers to purchase required supplies from Soviet bloc nations.

In January 1960 Greece announced import quotas for the first 6 months of 1960 for the items under quota control, reserving a special quota of $175,000 for U.S. pitch pine and Oregon pine lumber. Quotas for tires and tubes, coal, and lumber are to be allocated on a historical import basis, while other quotas will be distributed on a first-come, first-served basis. The latter system applied to all quotas in 1959.

Haiti [2]

No general system of import licensing has been established in Haiti. A Presidential decree, imposing sweeping restrictions on imports and dated January 27, 1959, was made public on February 23, 1959, and set aside on March 12, 1959, never having gone into effect. The original action was taken to improve Haiti's dangerously low exchange reserves position due to the fall in world coffee prices and the substantial reduction in domestic coffee production. In view of a subsequent $6 million emergency grant by the International Cooperation Administration for balance-of-payments and budget support, the restrictive measures were no longer necessary and were set aside.

Shortly after the foregoing restrictions were recalled the Haitian authorities became concerned by reports that there might be difficulties in marketing the full crop of indigenous rice. The Ministry of Commerce and Industry informally notified rice importers that, pending further measures, they should obtain authorization from the Minister of Commerce and Industry for each import ship-

ment. These authorizations have been issued in the form of brief typewritten letters signed by the Minister of Commerce and Industry. On December 16, 1959, the Haitian Government issued a communique warning importers to "fulfill certain formalities" at the Ministry of Commerce and Industry before placing any import orders for fertilizer. The Haitian authorities state that the current informal import controls are provisional pending further study.

Honduras [1]

Honduras ordinarily does not impose quantitative restrictions on imports from any source.

Iceland [1]

Under the Icelandic system of import restrictions all items not included in free lists are subject to import licensing requirements. Before any imports, whether liberalized or not, may be effected, importers must have exchange coverage from a Government-authorized foreign exchange bank.

The import free list (list A) for the OEEC countries and dollar area covers approximately 33 percent of Iceland's imports from the countries concerned, based on 1953 statistics. Another and overlapping list (list B) covers items freely importable from countries with which Iceland has both trade and payments agreements.

No measures to relax import restrictions were taken in 1959.

India [2]

India's import licensing policy continues to be highly restrictive, reflecting an adverse balance of payments. Quota limitations are placed on a wide range of goods, with less essential goods severely limited or prohibited. Special considerations such as credit or investment arrangements govern the import of capital goods costing more than $42,000.

A change in import licensing policy was announced on December 17, 1959, removing discrimination against imports from the dollar area. Importers in India may now select any country as the source of an approved import (other than more expensive capital goods) where foreign exchange freely usable by India is involved. Under the new policy outstanding licenses issued for imports from the soft-currency area also will be valid for imports from the dollar area up to the full amount of the value of the license. Movement in the direction of removal of discrimination had been noted for more than a year prior to the December announcement. During that period licenses for imports from the soft-currency area were valid for imports from the dollar area up to 50 percent of their face value or 5,000 rupees (about $1,000), whichever was more; licenses up to 5,000 rupees were usable to the full extent from soft-currency or dollar areas.

The new policy will permit U.S. products to compete more effectively on an equitable basis with products from other countries for the market in India. It removes the element of discrimination that existed because of the distinction between dollar and soft-currency licenses.

Indonesia [2]

Imports are under strict control and may be effected only by officially recognized importers. All commercial imports require prior licenses from the Government's Exchange Bureau in the form of combined import-exchange permits. License applications must be accompanied by evidence that the required amount of prior deposit has been deposited with an authorized foreign exchange bank. Since mid-September 1959 this requirement, which for private, non-Government agencies has amounted to 100 percent of the import's entrepôt c. & f. value, has been waived entirely for imports by Government agencies. (Between April and August 1959 it had amounted to 230 percent for all imports, both Government and non-Government, and from January to April 1959 to 133⅓ percent.) In addition imports are classified into six categories according to essentiality and are subject to exchange surcharges ranging from nil to 200 percent.

Although Indonesia's licensing controls do not provide for formal discrimination, license applications are screened with a view toward fulfilling bilateral trade agreement aims and toward limiting the overall expenditure of foreign exchange.

A definite trend toward increased state trading picked up momentum in 1959. In June 1959 monopoly responsibility for importing nine of the country's most essential and largest import commodities (i.e. newsprint, tin plate, raw cotton, cotton and rayon yarns, textiles, flour, cement, jute bags, and reinforcing steel) was given to a group of Government-owned and/or -controlled trading houses. As of September 1959 these "big ten" trade agencies reportedly carried on 70–80 percent of the country's entire import trade, with indications that this portion has since further increased. This trade is in no way restricted as to origin of commodities.

Some of the factors which made 1958 Indonesia's poorest year in export earnings since independence were still present throughout 1959 and are continuing into 1960. The 1959 trade balance was considerably improved over that of 1958, and exchange holdings have risen quite steadily since September 1959. This improvement has resulted from an increase in value of exports (largely due to the high price of rubber on the world market) and from a low level of imports continuing from 1958.

Iran [1]

Except for a variety of items included on a prohibited import list and for a few commodities subject to special regulations, importation of goods into Iran is free of import restrictions. Exchange transfer and import authority are granted automatically and on a nondiscriminatory basis for all nonrestricted imports upon application. This liberal import system has been renewed each year since its adoption in 1957 with the issuance each March of new import regulations for the year beginning that month. Though the annual import regulations prescribe a total import quota for the year in accordance with law, the quota can be increased if necessary by the Minister of Commerce and is therefore administrative in nature. Iranian imports from the U.S.S.R. and several other coun-

tries are regulated through provisions of bilateral trade agreements. Special regulations apply to imports from Japan.

Imports are limited to some extent, however, by the commercial profits taxes applied to items removed from the prohibited import list in 1957 and subsequent years. These taxes are applied mostly to types of goods made in Iran and to luxury goods and range from very small amounts to over $1 per pound for some textiles and to 100 percent for such items as metal furniture, cigarette holders, and canes.

In December 1959 the Bank Melli Iran, which has authority over exchange transfers, decreed that imports of nine categories of goods shipped after January 15, 1960, can be made only against procurement authorization of the International Cooperation Administration. Imports of these goods will be financed, at least until new regulations are issued for the fiscal year beginning in March, from a recent ICA grant of over $30 million in defense support funds. Affected goods include motor vehicles, tires and tubes, tractors, iron and steel, yarns and piece goods, refrigerators, radios, TV sets, and drugs and medicines.

Imports from Soviet bloc nations were exempted from the regulation.

Israel [2]

Israel controls all foreign trade through foreign exchange and import and export licensing arrangements. The controls are designed primarily to conserve foreign exchange for essential expenditures and to prevent the export of items in short supply.

Import licenses normally are issued in accordance with a system of priorities in which imports under the reparations agreement with Western Germany or imports carried out under bilateral trade agreements are given first priority. Next in priority are imports financed by loans. Imports to be financed from other sources generally are licensed only if it is impossible or impracticable to obtain imports from the above sources. The needs of the prospective importer, the prices of the commodities from alternative sources of supply, their availability from local resources, size of stocks, and the like are taken into consideration in the issuance of licenses.

Since October 1957 a large number of items have been subject to an open import license system under which licenses are issued to private importers provided they undertake to import certain minimum quantities of the commodity concerned. Under this license system each commodity is subject to a surcharge to keep the internal price at an established level.

Italy [2]

Quantitative restrictions on imports from the dollar area were reduced in 1959. Effective June 9 the number of Italian tariff items or subitems liberalized was increased to 3,779, or 55 percent of the 6,785 separate tariff positions under the new schedule. Prior to that date only 20 percent of the classifications were on the free list, which consisted of certain basic raw materials, a carefully selected group of capital goods, and virtually no consumer goods.

Products liberalized in the 1959 action include numerous organic and inorganic chemicals, certain chemical industry products, rubber goods, hides, tanned leather, cosmetics, iron and steel products, industrial equipment, and many additional types of machinery, as well as measuring and control equipment. Discrimination against dollar goods was further lessened in January 1960, when some 200 products were removed from quantitative restrictions. Items freed include dried prunes, meat extracts and juices, brandies and liquors, some natural and synthetic rubber products, various paper and cardboard products, paints, varnishes, and transmission shafts and gears. However, at the same time controls were reimposed on some commodities.

After allowing for the most recent measures, there remain 2,070 statistical tariff classifications subject to license when imported from the dollar area, whereas the comparable list for the OEEC area includes only 133 tariff classifications. Among the principal dollar items remaining subject to license are almost all agricultural products and foodstuffs, explosives, film, paper and paper products, textiles, copper, aluminum, lead and zinc products, many consumer goods, unassembled machine parts, motor vehicles, spark plugs, and all other automobile parts.

Japan [2]

All commercial imports are subject to license. Two basic systems of import licensing are in general use, the automatic-approval system and the fund-allocation system. Approximately one-third of the semiannual foreign exchange budget is set aside for import of specified items on the automatic-approval list, and licenses are granted automatically on a first-come, first-served basis. Under the fund-allocation system, the Ministry of International Trade and Industry (MITI) issues import notices announcing opening and closing dates for filing import license applications, currency to be used in payment, and other matters in regard to delivery prices, etc. MITI may not necessarily allocate the amount of foreign exchange applied for and may designate source of supply.

Japan continued in 1959 to liberalize its import trade. The most important development came in November during the 15th session of the GATT in Tokyo, when the Japanese Government announced (a) removal of discrimination against the dollar area on certain items; (b) expansion of the list of items under the automatic-approval system; (c) establishment of a new, more liberal system for certain machinery imports; and (d) liberalization of certain consumer goods.

This announcement followed other actions earlier in the year by the Japanese Government, which included an increase in the amount of foreign exchange made available for imports and under this the larger portion set aside for purchases under the automatic-approval system, an increase in the number of commodities placed on the automatic-approval list, the abolition in most cases of the

distinction between dollars and most other currencies, the reduction in the number of bilateral open-account agreements, and the significant reduction in the amount of deposit required of importers and in the use of the retention and link systems for imports.

In early January another liberalization step was announced. Effective April 1, 1960, more items were transferred to both the automatic-approval list and the newly established automatic-exchange allocation system, and there was a further reduction in discrimination against the dollar area. Concurrent with the announcement of these measures the Japanese Government stated that additional action further reducing discrimination may be expected late in 1960 and at some unspecified date there will take place various relaxations on foreign exchange. In this connection it was noteworthy that during 1959 a special Cabinet-level group was established to review the country's trade and exchange control system with the announced purpose of setting up a program for liberalization of the control mechanism.

Federation of Malaya [2]

Previous discriminatory regulations of the Federation against dollar-area goods (involving restrictions on direct imports, the requirement of specific import licenses when direct import was permissible, the necessity of importing via Hong Kong, etc.) were almost entirely abolished by liberalization measures of August 1, 1959. Under present regulations almost all dollar goods can be imported into the Federation under open general license. Even in the case of a limited number of items, particularly motor vehicles, watches, and radios, which still require specific import licenses, dollar exchange is made freely available.

Mexico

Slightly over one-third of Mexico's import classifications, accounting for about one-half of its annual imports, are subject to import control by the Ministry of Industry and Commerce. To import these items the importer must obtain a permit from the Ministry before placing firm orders. All agricultural, livestock, and forestry products, whether or not requiring a license from the Ministry of Industry and Commerce, are subject to prior import licensing by the Ministry of Agriculture.

Though intended primarily to protect national producers, import control has balance-of-payments aspects. The control system does not discriminate against dollar goods. The trend in Mexico in 1959, as in earlier years, was toward expansion of the list of items subject to control by the Ministry of Industry and Commerce. Import controls were also more stringently applied during the year. A minor relaxation occurred at midyear, when the maximum value of any controlled commodity which can be imported without a prior permit from the Ministry of Industry and Commerce was raised from US$8 to US$16 to facilitate clearance of small imports by individuals.

Netherlands [2]

The Netherlands requires import licenses for only about 120 products out of several thousand tariff items. This requirement is applicable to all countries, including the United States. Import licenses, where still required, are usually granted liberally. Wheat imports are effectively controlled by mixing regulations, which specify the amount of domestic wheat to be used in the production of flour.

Most of the products for which import licenses are required are subject to Netherlands or Benelux global quotas. The quotas appear sufficient to accommodate U.S. exporters of most products.

In February 1959 the Netherlands extended to all GATT countries, including the United States, the same degree of trade liberalization that existed for imports from OEEC countries. Effective July 15, 1959, the Netherlands removed the import licensing requirements for the overwhelming majority of products imported from most sources, including the United States. Previously import licenses had been required for all goods imported from most sources outside the OEEC, although these documents were issued automatically for most products from the dollar area.

The Netherlands employs seasonal restrictions on apples and pears, permitting entry of these fruits only after a certain date each year. In the 1959–60 season the Netherlands opened their market to apples and pears from all sources almost 4 months earlier than customary.

In December 1959 it was announced that quantitative restrictions would be removed from the following products as of January 1, 1960: seed rye; rice; margarine; beet, cane, and like sugars; invert sugar and artificial sugar; hydrochloric acid; certain salts of hypochlorous acid; various soaps; various coopers' wares; and certain types of blown or pressed glassware.

New Zealand [2]

Because of an improving balance-of-payments situation, New Zealand in 1959 changed its import licensing policy and relaxed import controls. In April and June 1959 many quotas were increased, and a number of commodities for which licensing applications are considered individually are now licensed more liberally. The New Zealand import licensing schedule for 1960 released in October calls for the virtual elimination of discriminatory licensing of dollar goods. On March 10, 1960, the schedule was amended to liberalize global import licensing and to remove timber from discriminatory control. Only motor vehicles and timber are still subject to discriminatory licensing. The 1960 schedule as amended also provides for additional licensing categories and new procedures which introduce more flexibility in the licensing system.

Nicaragua [2]

While Nicaragua has an import licensing system in connection with its exchange controls, licenses are granted for any and all products provided importers meet deposit

requirements. There is no discrimination against dollar imports.

Briefly, Nicaragua classifies imports into three categories or lists: list 1—essentials; list 2—lesser essentials; and list 3—nonessentials. There is no deposit requirement for items in list 1. In order to obtain necessary permits for commodities on lists 2 and 3, importers must deposit in a Nicaraguan bank 100 percent of the c.i.f. value of the proposed import. In the case of list 2 goods, licenses are issued within 48 hours of making the deposit; for list 3 items, licenses are issued 30 days after deposit is made.

An effort was made during 1959 to liberalize exchange restrictions. On April 20 the Government placed 21 items on list 1, thus freeing them from deposit requirements. Items affected included certain tires, sandpaper, microscopes and other scientific instruments, special sands, barrels and casks, laminated foil, electrical parts for aircraft, and electrical equipment for repairing aircraft. On the other hand, restrictions were tightened on cotton gin imports. In August this item, formerly on list 1, was placed on list 3.

Norway [2]

Norway continued its progressive liberalization of imports during 1959, and following action taken at the middle of the year, 91.7 percent of Norway's import trade (base—1953 private import trade) with the United States was exempt from import license.

On November 19, 1959, the Norwegian Ministry of Commerce announced that the passenger-automobile quota for the first half of 1960 would be opened to automobiles from the United States and Canada. This removed the only remaining significant discrimination against imports from the dollar area. At the same time the Ministry announced that import controls and rationing of automobiles would be removed October 1, 1960.

Among the products of interest to American exporters still subject to import controls are: fresh and canned fruit, coal and coke, cosmetics, paints, synthetic resins, refrigerators, certain machinery, television sets, phonographs, and phonograph records.

In operating the license control system the Norwegian authorities have tended to license goods liberally.

Pakistan [2]

All imports into Pakistan, other than Government purchases, are subject to licensing. However, since 1955 Pakistan has followed a nondiscriminatory import policy, licenses with few exceptions being valid for any country in the world.

As a result of a deteriorating balance of payments, a severely restricted import program for the January–June 1959 shipping period was instituted by the Government of Pakistan. Exchange allocations were reduced, and the number of items permitted to be imported was cut from 207 to 174. However, with the improvement in the payments position, there was a relaxation of restrictions for the July–December 1959 period. The number of items which could be imported was increased during the period from 174 to 201, and quotas were raised. While the number of items to be licensed in the January–June 1960 period remained practically the same as in the previous period, quotas were increased as a result of continued improvement in the country's foreign earnings, for the following items: iron, steel, and other metals, tools and workshop equipment, machinery and parts, wood and timber, hardware, chemicals, dyes, raw rubber and tires, motor vehicles and parts, cycles and parts, vessels and equipment, scientific instruments, books and magazines, milk food for infants, coconut oil, and fine-count cotton yarn. In addition, restrictions on imports of drugs and medicines and of raw materials for their local production have been very substantially relaxed.

Paraguay [1]

No quantitative licensing restrictions are maintained on imports. However, most imports require advance deposits ranging from 10 to 400 percent. Deposits are retained for a minimum of 120 days.

Peru [2]

On October 1, 1959, Peru abolished its quota limitation on imports of automobiles, thus removing the only quantitative restriction on imports into Peru. The automobile quota, which limited imports of automobiles for the year beginning October 1, 1958, to 4,500 units, was originally established in 1954 in an effort to conserve the nation's reserves of foreign exchange. High import-duty surcharges and internal consumption taxes (collected at the customhouses) established in the interval are now relied upon to keep automobile imports within the nation's capacity to import.

At the present time, apart from the usual documentation, consular fees, import duties, and surcharges, there are no restrictions on the importation of goods into Peru.

Philippines [3]

The Republic of the Philippines has employed import restrictions, primarily for balance-of-payments reasons, since 1949. Import restrictions are effected through a Central Bank foreign exchange licensing system. This system imposes an embargo on trade with the Soviet bloc, including Communist China, but does not discriminate among other exporting countries.

Allocations of foreign exchange from the Central Bank are made either through regular quarterly, recurring quotas or through special nonrecurring quotas on a case-by-case basis.

The regular quarterly quota allocations are apportioned by commodity categories and by types of importers (Government entities, producers, and other qualified importers). The seven categories of controlled items and the one category of "decontrolled" items, denoting the degree of essentiality accorded each commodity by the Central Bank, are used in determining the amount of exchange

[3] A special trade agreement governs U.S. trade with the Philippines; for text, see Treaties and Other International Acts Series 3348.

allotted for imports under the regular quarterly, recurring quotas.

Because of large balance-of-payments deficits in 1957 and 1958 and a low level of foreign exchange reserves, imports were severely restricted in 1959. Individual quota allocations for importers were held considerably below their 1957 levels, and allocations for manufacturers were limited to their 1957 quarterly participation. Nonrecurring or special allocations of foreign exchange for imports to establish new enterprises or to expand existing facilities were also curtailed.

Many imports previously exempted from the special import tax (levied at 15.3 percent of c.i.f. value in 1959, at 10.2 percent in 1960) were during 1959 made subject to this charge, and small shipments and goods accompanying returning residents were made subject to compensating taxes (similar to sales taxes).

In addition, since July 16, 1959, a margin fee of 25 percent has been levied on sales of foreign exchange for most purposes, including payment for the great majority of import items.

Federation of Rhodesia and Nyasaland [2]

Imports from the sterling area are freely permitted without licensing restrictions or requirements. Excepted from this general rule are a few items which require a specific license regardless of country of origin.

Almost all U.S. nonagricultural goods may now be imported freely under open general license. However, there are several items for which exchange quotas are provided and one item, industrial fish nets, which is under administrative licensing. For the majority of agricultural products, import permits must be obtained from the Ministry of Agriculture. These are issued usually on the basis of the availability of local supplies.

Prior to 1959 a "prohibited list" of over 100 items was maintained. This was a list of products for which licenses to import from the dollar area were not ordinarily granted. In late 1959, however, the Federation reduced the list to 10 items and established exchange quotas for several of these.

In January 1960 the "prohibited list" was further reduced to only five items. Six-month exchange quotas were established for four of these: clothing (£100,000); piece goods—cotton (£200,000); television receiving sets, electrical record players, etc. (£10,000); gramophones (£40,000). The fifth item for which no exchange quotas was set is nets and netting, except sporting goods.

Spain

The Spanish Government maintained import license requirements for imports from all sources up until July 1959.

On July 20, 1959, Spain became a full member of the OEEC. At the same time, Spain freed from license control a list of products which accounted for approximately 90 percent of private imports, based on 1950 statistics. This liberalization list applies to all countries with convertible currencies which do not have bilateral trade and payment agreements with Spain. As a part of a trade liberalization program, Spain is planning to discontinue bilateral agreements with the OEEC countries. For an important part of the remainder of Spain's private trade, global quotas are to replace bilateral quotas. Imports under these global quotas remain subject to license, but licenses are issued on a nondiscriminatory basis. The first list of global quotas for a total amount of $75 million was announced in August 1959. Early in 1960 global quotas totaling $225 million were announced for the year 1960.

State of Singapore [2]

In 1959 Singapore took steps identical with those described in the section on the Federation of Malaya toward relaxation of import restrictions applicable to dollar-area goods.

Sweden [2]

Sweden requires import licenses for a relatively small group of commodities. In general these commodities are licensed liberally. During 1959 Sweden simplified import control procedures and took further steps to liberalize imports of dollar goods. There is now little discrimination between imports from the dollar area and from other countries.

The major action in 1959 was the removal from the import license list of coal, synthetic and natural fibers, textile fabrics, except cotton fabrics, and certain textile products. License requirements were removed for cotton textiles and a few other commodities on April 1, 1960.

Goods still subject to license which are of significance to U.S. trade are certain agricultural products such as apples and pears (which are seasonally controlled), passenger automobiles and chassis, special motor vehicles such as fire trucks and crane trucks, and ships. These goods are licensed on a nondiscriminatory basis. However, some agricultural commodities, such as poultry, only require a license when imported from the dollar area.

Switzerland [4]

Traditionally Switzerland has held to a free, nondiscriminatory import policy with generally low customs duties. There have been no currency restrictions. The importation of dollar goods into Switzerland is almost entirely free, and in the great majority of cases imports take place without the formality of import licenses.

A few commodities (mostly agricultural products and special trucks) are subject to import licenses and quota limitations. In practice, except for some agricultural commodities, import licenses have been granted automatically as requested.

At the end of 1959 Swiss imports of cereals, feed, and bread grains, previously handled by a state monopoly,

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[4] Switzerland has provisionally acceded to the GATT; for background, see BULLETIN of Apr. 18, 1960, p. 601. The United States also maintains a bilateral agreement with Switzerland (49 Stat. 3917; TIAS 2188, 3328, and 4379).

were returned to the private sector. This change in import policy improved prospects for higher wheat imports from the United States.

Thailand

Thailand in 1959 introduced a complete ban against imports from Communist China. Imports from all other sources, including the United States, are free from quantitative import restrictions, with the exception of certain goods of types manufactured in Thailand. About 70 types of goods are subject to individual import license because their importation is considered unduly competitive with locally produced items. None of the items so restricted is of significance in United States–Thai trade.

Thailand's exchange rate is free and stable, and importers may freely convert local currency into foreign exchange, including U.S. dollars, for the settlement of bona fide commitments.

Tunisia [2]

All goods imported into Tunisia are subject to import licenses or import permits.

Prior to 1959 import licenses were granted on an individual basis for goods deemed necessary for the economic development of the country and for other goods which could be obtained from France or other countries where exchange was readily available.

In October 1959 Tunisia published a long list of commodities, mostly capital goods, for which all quantitative restrictions, if imported from specified countries (including the United States), were removed. All such imports are now covered by automatic import permits, though in some cases spare parts remain subject to license.

Automatic import permits also cover imports paid by EFAC accounts (specified percentages of traders' export proceeds which can be used for imports).

Some products not covered by the liberalization measure can be imported under the system of global quotas, which was expanded in 1959. These quotas were previously reserved for the former EPU [European Payments Union] countries but are now open to all suppliers.

Other commodities are licensed in accordance with bilateral trade agreements concluded by Tunisia with a number of Western and Soviet bloc countries. While no such agreement exists between the United States and Tunisia, the Tunisian Government announced the establishment of a dollar-import quota program which is now being implemented.

Turkey [2]

Turkey's import system, established as a part of the economic stabilization and exchange-rate reform programs of August 1958, provides for regulation of imports by global import quotas issued in accordance with available exchange resources and priority needs.

Four import-quota programs have been announced since August 1958. The first quota, released in September 1958, provided for $150 million of imports of raw materials, essential goods, machinery and spares, with a specific quota for each item. Each individual importer was limited to a maximum of 15 percent of each commodity quota, and imports were subject to price controls. The second quota, also of $150 million, announced in February 1959, was similar to the first except that applications to import from clearing-agreement countries (i.e. mainly U.S.S.R. and Eastern Europe) were not limited to 15 percent of commodity quotas and received priority treatment. Turkey thus hoped to use its large balances with clearing countries. Pricing regulations were eased by requiring price registration of imported goods rather than advance approval. In May 1959, 160 items, mostly raw materials and spare parts, on the second quota list were freed from quota control, making import procedure virtually automatic. The third quota, of August 1959, provided for $240 million of goods consisting of $170 million of goods subject to quotas, $45 million of essential goods under an automatic allocation system, and $25 million of liberalized items which were expanded from 160 to 27 commodity groups. The $170 million of quota items was subdivided into $115 million for dollar and West European countries and $55 million for clearing countries. The third quota included many items of a consumer nature not on previous lists, including about $3 million for automobiles, the first authorized automobile imports in a very long time. The fourth 6-month quota, issued in March 1960, further increased the automatic and liberalized lists.

Turkey controls imports almost entirely for balance-of-payments reasons and is expected to free many items from controls when exchange reserves permit. Items controlled for other than balance-of-payments reasons are mostly those under traditional state monopoly control, chiefly tobacco and some alcoholic beverages, and those reserved to state trading, mainly grains and sugar. In general quota controls are administered on a nondiscriminatory basis, though imports from the clearing countries where Turkey has funds receive special attention and a specific allocation.

United Kingdom [2]

The United Kingdom made further substantial progress in 1959 in carrying out its program of progressively relaxing restrictions on its dollar trade and with the latest dollar liberalization move on January 18, 1960, virtually eliminated all its remaining controls on dollar-area goods. More than 90 percent of Britain's dollar trade, based on 1953 import patterns, has now been freed of restrictions.

By the end of 1958 controls had been removed on nearly all raw materials and foodstuffs, industrial chemicals and allied products, most industrial, office, and agricultural machinery, and other equipment for industry. During 1959 two major moves were made which substantially lessened the scope of discrimination against dollar imports. Licensing restrictions on a wide range of dollar goods were removed in June, and the import quotas which had been open only to goods from Western Europe were increased and opened to dollar goods beginning in 1960. In November a further large group of consumer goods, including foodstuffs, was liberalized. In January 1960

import controls on tobacco and manufactures, synthetic rubber, and transistors were removed.

As a result of these measures the following goods are subject to control when imported from the dollar area but have been liberalized from other areas: large aircraft, alcoholic beverages other than whisky, canned fruit, bananas, fresh grapefruit, orange and grapefruit juice, pharmaceutical products, pork and pork products, and cigars.

While imports of these items continue to be restricted, quotas are available for most of them and licenses are freely issued within the total quantities permitted under the quotas. There is, for example, a yearly quota of more than $15 million for imports of canned fruit from North America, as well as a dollar allocation for 25,000 tons of fresh, chilled, or frozen pork and a dollar quota of $560,000 for pharmaceuticals.

In addition to the discriminatory controls applied only to dollar imports, the following restrictions remain on United Kingdom imports from sources other than the Sino-Soviet bloc and Japan (to which more extensive restrictions apply):

(a) On imports from all areas, *including* the sterling area: dyes and dyestuffs, potatoes, seeds, sugar, jute manufactures, arms and ammunition, radioactive substances, and feathers.

(b) On imports from all areas, *except* the sterling area: baskets and basketware, coal and coke, apples and pears, whole hams, and milk and milk products. Out of this group, U.S. exporters are permitted to participate in quotas for Northern Hemisphere fresh apples valued at about $20 million and for quotas of over $5 million for fresh pears.

Union of South Africa [2]

Since 1954 import restrictions in most cases have been applied in a nondiscriminatory manner. The South African import control system has been progressively liberalized since 1954, although a temporary balance-of-payments setback in 1958 caused the Government to retrench somewhat during 1958–59. A moderate relaxation of the restrictions was promulgated for 1960.

Under the revised regulations issued in May 1958, assembled passenger cars with an f.o.b. cost of over SA£800 ($2,240) continue to be prohibited and certain less essential consumer goods are subject to stricter exchange licensing quotas. Otherwise, the South African import system is relatively liberal. Many goods are decontrolled entirely, while other classes of goods used in industry are licensed on a basis of meeting "full reasonable requirements." Automobiles and parts (except for assembled passenger cars over SA£800) are licensed freely on a basis of replacement of retail sales. Most consumer goods, however, remain under import quota.

Uruguay [2]

Uruguay's austerity program, the consequence of a serious foreign exchange shortage, was initiated by a decree on March 28, 1957. Considered at the time a temporary expedient, the program continued in effect until December 1959. All through this period Uruguayan imports were limited to the barest essentials and preferential treatment was accorded to nations having bilateral trade agreements with Uruguay. This did not include the United States. During 1959 the Uruguayan Export-Import Office was permitted to grant exchange permits for goods from hard-currency areas only upon written proof that the same article was not available from other markets.

Uruguay established a new exchange and monetary reform law effective December 21, 1959. Under this law the buying and selling rates of foreign currency are to be determined by the supply and demand of the market. Further, the law states that restrictions are removed on all imports except nonessentials, luxuries, or products competitive with certain domestically produced articles. According to Government circles, it is intended to free foreign trade as rapidly as possible from all artificial restrictions and in particular to remove quantitative controls on trade.

Although Uruguay, at least for the present, maintains bilateral payments agreements with certain European and Latin American countries, these are expected to play a diminishing role in Urguay's trade relations.

The West Indies and Other British Caribbean Territories [2]

In the early part of 1959, and again from July to October, the federation of The West Indies and other British territories in the Caribbean approved measures liberalizing trade with United States and other dollar-area countries. These steps were in keeping with the decisions made at the Commonwealth Conference at Montreal in September 1958 and followed similar actions taken by the United Kingdom throughout 1959.

The liberalization measures permit all goods from the United States and other dollar-area countries to be imported under open general license, unless they are among the few items that appear in schedules of exceptions. Bahamian importers must still obtain individually validated import licenses for all shipments, but their issuance is now a formality except for those goods still subject to quota restrictions. For most of those goods still under quotas, however, import licenses will be made available liberally on an *ad hoc* basis, according to the Bahamas Import Control Office.

The federation, composed of 10 major island groups, has not yet formed a customs union; therefore, the island governments at varying times individually approved the liberalization measures, which differ in content from island to island depending on the need to protect local industry. Included in the schedules of exception of all of the unit territories of the federation (except Barbados, Jamaica, and St. Kitts, Nevis, and Anguilla) is a group of commodities on which discriminatory restrictions, imposed earlier at the request of the United Kingdom, have not been removed as yet. This group includes such products as air-conditioning and refrigerating equipment; lifting, hauling, and transporting equipment; steel tubes; oil mining machinery and pumps; taps, traps, and valves. Prospects for removal in 1960 of these items

from the islands' schedules of exceptions should be good, in view of their liberalization by the United Kingdom on November 9, 1959. Two additional items, rice and fats and oils, remain under control in all of the islands because of regional agreements between The West Indies and British Guiana that prohibit the importation of these items from outside the area unless local supplies are insufficient to meet needs.

Progress in liberalization during 1959 removed the need for continued operation of the British West Indies Trade Liberalization Plan (Token Import Plan), under which, since 1950, a number of imports from the United States and Canada had been admitted on a token basis and a few other imports under open general license by British Caribbean territories. In October 1959 the Governments of the United Kingdom, Canada, and the United States agreed to termination of the plan on January 1, 1960, and consultation "about licensing arrangements for products previously covered by the Plan which are not yet liberalized on the understanding that access generally to West Indian markets for Canadian and United States exports of these products will be on terms no less favorable than in the past."

Subsequent liberalization actions were taken on January 2, 1960, by Jamaica and on January 9, 1960, by British Honduras. The Jamaica measure reduces to 43 the number of commodity groups for which issuance of specific import licenses are required and substitutes a single open general license for the two licenses—one applicable to imports from the sterling area and the other to the nonsterling area—that were in effect prior to this action. The British Honduras measure removed import controls from goods in all but 10 commodity groups.

Venezuela [1]

Venezuelan import controls are effected through import duties and import licensing. The licensing system was limited to a moderate list of items until new regulations were issued on July 7, 1959, adding several agricultural items and certain goods covered by the United States-Venezuelan bilateral trade agreement [5] including cigarettes, wheat flour, hams, prepared milk, dietetic foods, podded vegetables, fruit juices, and copper wire.

On November 20, 1959, the Venezuelan Government added an extensive list of manufactured commodities considered to be luxury or semiluxury goods to the prelicensing requirement, including several additional items which were covered by the trade agreement with the United States (including whisky, radios, television sets, passenger automobiles, cameras, unexposed films, phonographs, and records). Venezuela is presently experiencing an unusual balance-of-payments deficit, and the Government has announced that import licensing is necessary for the better use of national income, to further economic development, and to limit the excessive expenditures on nonessential products that have been draining dollar reserves.

On December 10, 1959, the Venezuelan Government decreed heavy increases in import duties, as high as 100 bolívares (US$30) per gross kilogram plus 100 percent ad valorem for some items, on a large number of luxury and semiluxury goods. The greater part of this list consisted of the same items that had been placed under license on July 7 and November 20, and it was announced that the increased duties replaced the licensing requirement. The items covered in the United States–Venezuelan trade agreement were not included in this tariff increase and remain subject to the prelicensing requirement previously imposed by the resolutions of July 7 and November 20.

Since September 1959 the Venezuelan Government has implemented drastic restrictions on the importation of cigarettes, in support of the local industry. Imports of this commodity, which is covered by the trade agreement with the United States, are being progressively reduced so that imports are expected to cease in the near future. Wheat flour importation is subject to licenses, and this has been justified by Venezuela as necessary for adherence to the International Wheat Agreement. However, in a move to protect the growing domestic industry, flour imports into Venezuela have been drastically reduced through a systematic reduction of the number of licenses granted. The views of the U.S. Government with respect to restrictive measures affecting commodities covered by the United States–Venezuelan trade agreement have been made known to the Government of Venezuela. Consultations were held in Caracas during the latter part of March 1960. The consultations did not involve any revision or modification of the existing bilateral trade agreement but were limited to discussion of the possibilities of relaxing Venezuelan import restrictions on goods traditionally exported by the United States to Venezuela.

[5] 54 Stat. 2375 and TIAS 2565.

[1] 61 Stat. 2453.

U.S. and New Zealand Hold Air Talks

Press release 266 dated May 14, for release May 16

United States and New Zealand aviation delegations will initiate consultations on May 16, 1960, for the purpose of discussing possible modifications to the United States–New Zealand air transport agreement.[1] This consultation will give the two Governments an opportunity to review the operations of the respective airlines under this agreement, which was originally concluded in 1946.

The New Zealand delegation will be headed by Bruce Rae, head of the New Zealand Air Department, while the U.S. delegation will be chaired by Laurence C. Vass, Director of the Office of Transport and Communications of the Department of State.

U.S. and India Conclude Agreement Under Food-for-Peace Program

On May 4 the United States and India signed an agreement providing for the sale to India of $1,276 million worth of U.S. wheat and rice over a 4-year period under title I of the Agricultural Trade Development and Assistance Act (P.L. 480). Following are texts of a White House announcement and statements made at the signing ceremony by President Eisenhower and Secretary Herter, together with a statement by Henry Cabot Lodge, U.S. Representative to the United Nations, and a letter from Mr. Lodge to U.N. Secretary-General Hammarskjold.

WHITE HOUSE ANNOUNCEMENT

White House press release dated May 4

The Governments of the United States and India on May 4 signed an agreement which provides for the sale to India over a 4-year period of 16 million metric tons (approximately 587 million bushels) of U.S. wheat and 1 million metric tons (approximately 22 million bags) of U.S. rice. (The Government-owned inventory of wheat is presently about 1,080 million bushels.)

This agreement, undertaken as part of the President's food-for-peace program,[1] will mean, on the average, the shipment of more than a shipload of wheat for each day for 4 years.

For these commodities, plus some ocean transportation cost, India will pay the United States $1,276 million in rupees under title I of the Public Law 480 program.

The agreement was signed at the White House by President Eisenhower and Indian Minister of Food and Agriculture S. K. Patil. Present at the signing were Acting Secretary of State Dillon, Secretary of Agriculture Benson, Under Secretary of Agriculture True D. Morse, Ambassador M. C. Chagla of India, and Food-for-Peace Coordinator Don Paarlberg.

This is the fifth title I, Public Law 480, agreement to be signed with India. The first agreement with India (and the largest previous agreement with any country) was signed in August 1956 in the amount of $360.1 million. Previous agreements with India total nearly $1 billion in value. They have provided a significant proportion of India's grain imports during the past 3½ years, as well as substantial amounts of cotton, tobacco, and dairy products. However, in the case of both wheat and rice, measures have always been taken to assure usual imports from free-world sources.

The new agreement is unique in these respects:

It is almost four times as large as any agreement previously signed with any country since the beginning of the program in 1954.

It is the first agreement to span a period of 4 years.

It is the first agreement specifically designed to help a country in establishing substantial food reserves; one-fourth of the wheat and all of the rice will be available for such purpose. The stockpiling feature of the agreement will provide India with 147 million bushels of wheat and 22 million bags of rice over the 4-year period for reserve purposes.

One-fourth of the amount of financing in the new agreement ($319 million) will be made available immediately to finance the first year's shipments of 147 million bushels of wheat and 5.5 million bags of rice. The rate and manner in which the remaining quantities will be shipped will be agreed upon by the Governments after January 1, 1961, and will be subject to review annually thereafter.

[1] For background, see BULLETIN of June 1, 1959, p. 793; Nov. 9, 1959, p. 672; and May 9, 1960, p. 743.

Of the rupees to be acquired by the United States in payment for these commodities, $1,076 million will be made available to the Government of India for economic development projects (one-half as loans, one-half as grants). The remaining $200 million will be used to pay U.S. expenses abroad and to finance other U.S. agency programs including development of foreign markets for U.S. agricultural products.

The new agreement, reinforced by previous agreements, is expected to contribute to India's progress by (1) substantially increasing India's short food supply, (2) helping to control rising costs of food, and (3) giving tangible support to the financing of India's development projects.

The commodity composition of the new 4-year agreement is:

Commodity	*Millions*
Wheat (587 million bushels)	$965
Rice (22 million bags)	116
Ocean transportation (estimated)	195
Total	1,276

Sales of the commodities will be made by U.S. private traders. Purchase authorizations will be announced later.

STATEMENT BY THE PRESIDENT

White House press release dated May 4

This is a ceremony, Mr. Ambassador and Minister Patil, in which I am both honored and delighted to participate. The agreement that we have just signed is a practical application of the term "food for peace." In a world marked too often by fears and distrust, it warms my heart to take part in an event which is the product of mutual respect and ever-growing friendship.

When I was in your country last December,[2] I caught the spirit of progress that abounds in the new India. What we can do to lend encouragement, to lend a helping hand, we are most happy to do.

My thoughts go back to the day—it was December 11—when I was in New Delhi at the opening of the great World Agriculture Fair. I recall the words of your Prime Minister, Mr. Nehru, when he said that "in this world today, the call is for ever greater cooperation between individuals, between groups, between nations."

[2] *Ibid.*, Jan. 11, 1960, p. 46.

When Mr. Nehru spoke of cooperation, he was speaking of true cooperation, joint effort in behalf of the common good. What we are observing here today is the signing of a cooperative agreement, freely entered into by each nation, pledged by each of us as equal partners in the world community.

This is the fifth and by far the largest of such agreements entered into by our two nations. By terms of these agreements, 587 million bushels of wheat and 22 million bags of rice, to be paid in rupees, will be moved to India over a 4-year period. We are fortunate in having this means of sharing our abundance.

India is going forward with a zeal and determination that commands our unreserved admiration and respect. Its people are successfully embarked on the road to improved economic well-being in freedom.

The food that we make available under our special programs today will be reflected in India's accelerated progress tomorrow. This is what we mean by "food for peace."

STATEMENT BY SECRETARY HERTER

Press release 240 dated May 4

The tremendous scope of this agreement with India is indicated in the statistics which have been released with its signing. It is not only the largest agreement ever concluded with India but is the largest single title I transaction negotiated since the Public Law 480 program was established in 1954.

This agreement deals with food; and food is a very practical factor in international relations, as it is in family life. It provides one of the most genuine links between human beings, the will to help others.

The President has spoken of this human side of the agreement with India. We might also well recall the words that he spoke at the opening of the World Agriculture Fair at New Delhi:

> Today we have the scientific capacity to abolish from the world at least this one evil; we can eliminate the hunger that emaciates the bodies of children, that scars the souls of their parents, that stirs the passions of those who toil endlessly and earn only scraps.
>
> Men, right now, possess the knowledge and resources for a successful worldwide war against hunger—the sort of war that dignifies and exalts human beings.

I devoutly hope that the time is not too distant

when this type of war—the war on hunger which the President referred to, along with the war on disease, poverty, and ignorance—is the only kind we know. Some may call this impractical, but this, I suppose, has been said of the great ideas of man since the beginning of time. In the end it was the ideas and not the doubters who survived.

STATEMENT BY MR. LODGE

U.S./U.N. press release 3394 dated May 4

I am happy to report to Secretary-General Hammarskjold the signature in Washington today of an agreement between the Governments of India and the United States of America for the sale of 17 million tons of foodstuff to India in the next 4 years. This includes 16 million tons of wheat and 1 million tons of rice. It is a major part of President Eisenhower's food-for-peace program. It means more than a boatload of food a day for 4 years.

For years there has been frustration at the spectacle of rotting and wasting food in some countries and starvation in others. Here is an attempt—perhaps the boldest of its kind ever made—to bring surplus food to hungry people.

It is confirmation of something which we have long known: that the main trouble in the world is not overproduction but underconsumption. Surely if every child in the world could eat to his heart's content, he would be healthier and happier, and we would not have any problem with a food surplus.

This agreement with India is full of hope for the future, both for consumers and producers. The United States and the United Nations can take pride in it.

LETTER TO U.N. SECRETARY-GENERAL

U.S./U.N. press release 3395

May 4, 1960

Dear Mr. Secretary General: I have the honor to inform you, pursuant to Resolution 685 (XXVI) of the Economic and Social Council and 1316 (XIII) [3] of the General Assembly, that today in Washington the Governments of India and the United States of America are signing an agreement for the sale of 17 million tons of foodstuffs to India over the next four years.

Today's agreement is three times larger than any previous program of this type. It involves 16 million tons of wheat and one million tons of rice from United States reserves, more than a boat-load of food a day for the next four years. It is a major component of President Eisenhower's Food-for-Peace Program.

You are, of course, aware of my country's deep and abiding concern with the needs of hungry people. President Eisenhower, in his Food-for-Peace Program, is seeking practical means of using the various agricultural surpluses of each surplus-producing nation, as he has stated, "in the interest of re-enforcing peace and the well-being of free people throughout the world—in short, using food for peace." [4]

More than one-fourth (4 million tons of wheat and one million tons of rice) of the food involved in the agreement is intended for use in building a national food reserve in India. This is a major step by the United States in consonance with the objectives outlined in General Assembly Resolution 1025 (XI) and Resolution 685 (XXVI) of the Economic and Social Council, which encourages governments in food surplus countries to assist less favored countries in establishing food reserves for the following purposes:

(a) To meet emergency situations;

(b) To prevent excessive price increases arising as a result of a failure in local food supplies;

(c) To prevent excessive price increases resulting from increased demand due to economic development programs, thus facilitating the economic development of less developed countries.

In line with further recommendations in the aforementioned resolutions, the United States Government has consulted with other major food-exporting nations. In particular, it has consulted Argentina, Australia, Canada and France, which together with the United States form the Wheat Utilization Committee established to promote the Food-for-Peace Program. Care has been taken to consider the interests of food-exporting countries and to ensure conformity with the principles of surplus disposal of the Food and Agriculture Organization of the United Nations, particularly the need to avoid harmful interference with normal marketing and to ensure that the use of food reserves will result in genuine additional consumption. For these reasons, and because of the program's importance to the Freedom from Hunger Campaign launched by FAO,[5] the Director General of the Food and Agriculture Organization is being fully informed.

The agreement will also serve to give effect to another important United Nations action, i.e., Resolution 1316 (XIII) which "calls upon Member States to undertake a review of accomplishments to date and, in the light of

[3] For text, see *ibid.*, Jan. 5, 1959, p. 41.

[4] For text of President Eisenhower's special message to Congress on agriculture, see H. Doc. 59, 86th Cong., 1st sess.

[5] For a report by Clarence L. Miller, U.S. delegate to the 10th session of FAO, Oct. 31-Nov. 20, 1959, together with his statement and text of a resolution on the freedom-from-hunger campaign, see Bulletin of Jan. 18, 1960, p. 88.

this review, to chart their future courses of cooperative action relating to both the public and private sectors for the purpose of giving further impetus to the economic development of the less developed countries."

Taking into account the balance of payments position of the Government of India, a major part of the food will be sold for Indian currency. Some 80 to 85 percent of the proceeds will then be used for development loans and grants which will promote the economic growth of India. The amount available for such loans and grants will be almost one billion dollars. In this way Indian development plans will receive two-fold assistance of major proportions. The loans will provide development capital, while the supply of foodstuffs will prevent excessive price increases which might jeopardize economic development in India.

Sincerely yours,

HENRY CABOT LODGE

Current Actions

MULTILATERAL

Aviation

Protocol relating to certain amendments to the convention on international civil aviation (TIAS 1591). Done at Montreal June 14, 1954. Entered into force December 12, 1956. TIAS 3756.
Ratification deposited: Sudan, April 8, 1960.

Trade and Commerce

Declaration on provisional accession of the Swiss Confederation to the General Agreement on Tariffs and Trade. Done at Geneva November 22, 1958. Entered into force January 1, 1960; for the United States April 29, 1960.
Signatures: Japan and Union of South Africa, March 30, 1960.
Confirmation of signature deposited: Federal Republic of Germany, April 1, 1960.

BILATERAL

Belgium

Agreement relating to a weapons production program. Effected by exchange of notes at Brussels April 6 and 22, 1960. Entered into force April 22, 1960.

Agreement concerning a special program of facilities assistance. Effected by exchange of notes at Brussels November 23, 1954. Entered into force November 23, 1954. TIAS 3102.
Terminated: April 22, 1960 (superseded by exchange of notes April 6 and 22, 1960, *supra*).

Finland

Agreement supplementing the agricultural commodities agreement of March 23, 1960 (TIAS 4443). Effected by exchange of notes at Helsinki May 6, 1960. Entered into force May 6, 1960.

Guatemala

Agreement providing a grant to assist in the acquisition of certain nuclear research and training equipment and materials. Effected by exchange of notes at Guatemala April 7 and 23, 1960. Entered into force April 23, 1960.

Japan

Protocol supplementing convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income of April 16, 1954, as amended (TIAS 3176 and 3901). Signed at Tokyo May 7, 1960. Enters into force upon exchange of instruments of ratification.

Saint Christopher Nevis and Anguilla

Convention for the exchange of postal money orders. Signed at Basseterre, Saint Kitts, June 27, 1959, and at Washington September 14, 1959.
Entered into force: February 1, 1960.

Turkey

Agreement relating to a weapons production program. Effected by exchange of notes at Ankara March 2, 1960. Entered into force March 2, 1960.

Agreement relating to a special program of facilities assistance. Effected by exchange of notes and an aide memoire signed at Ankara April 25, 1955. Entered into force April 25, 1955. TIAS 3243.
Terminated: March 2, 1960 (superseded by exchange of notes March 2, 1960, *supra*).

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

United States Delegations to International Conferences

Discussions on Nuclear Research Program

The Department of State announced on May 11 (press release 259) that the following would represent the United States at discussions, held in connection with the Geneva Conference on the Discontinuance of Nuclear Weapons Tests, relating to the research program to improve the capability of detecting and identifying underground nuclear explosions, beginning at Geneva on May 11:

Frank Press, *chairman*, Director, Seismological Laboratory, California Institute of Technology
Carl F. Rommy, Assistant Technical Director, Office of Atomic Energy, Department of Defense
Carlton M. Boyer, Assistant Director, Nuclear Research and Reliability, Advanced Research Projects Agency, Department of Defense
Gerald W. Johnson, Associate Director, Lawrence Radiation Laboratory, University of California
Spurgeon M. Kenny, Jr., Technical Assistant, Office of the

Special Assistant to the President for Science and Technology
Richard Latter, Chief, Physics Division, Rand Corporation, Santa Monica, Calif.
Robert C. Scheid, Department of Defense

Safety of Life at Sea

The Department of State announced on May 12 (press release 261) the composition of the U.S. delegation to the International Conference on Safety of Life at Sea, which will convene at London May 17.

Vice Adm. Alfred C. Richmond, Commandant of the U.S. Coast Guard, will serve as chairman of the delegation, assisted by Robert T. Merrill, chief of the Shipping Division, Department of State, who will serve as vice chairman.[1]

The collision of the liners *Andrea Doria* and *Stockholm* in July 1956 prompted a worldwide review of ship construction standards, operating procedures, and rules for prevention of collision. After an analysis of the disaster, the Coast Guard was directed by the Secretary of the Treasury to act as the initiating and coordinating agency for possible revision of the 1948 safety-of-life-at-sea convention.[2] Detailed studies on the subject have been conducted over the past 2 years by a group, headed by Admiral Richmond, representing shipbuilders, ship operators, marine underwriters, labor unions, port authorities, professional societies, and trade associations, as well as Government agencies.

The first safety-at-sea conference was held in 1914, largely as a result of the *Titanic* disaster. In 1929 a second safety-at-sea conference met in London. The present convention, in force since November 1952, is the product of a 2-month conference held at London in 1948. The Conference will revise this latter convention and also consider possible revision of the International Regulations for Preventing Collisions at Sea,[3] which came into force January 1, 1954.

It is expected that representatives from most of the 50 countries which have been invited to participate will attend the Conference, which will be in session for a month.

[1] For a list of other members of the U.S. delegation, see press release 261.
[2] 3 UST 3450 and 7 UST 1080.
[3] 4 UST 2956.

DEPARTMENT AND FOREIGN SERVICE

Redelegation of Certain Functions Under Mutual Security Act

ADMINISTRATION OF MUTUAL SECURITY ACT OF 1954 AND REDELEGATION OF CERTAIN RELATED FUNCTIONS [1]

By virtue of the authority vested in me by Delegation of Authority No. 85, it is hereby ordered as follows:

1. There are redelegated to the Director of the International Cooperation Administration all the functions delegated to the Under Secretary of State by sections 2a(6), 2a(7), 2a(8), 2a(10), 2a(11), and 2a(12) of Delegation of Authority No. 85, with the exception of the function of determining the personnel necessary in the Department of State, other than the International Cooperation Administration, under section 527(a) of the Mutual Security Act of 1954 (hereinafter referred to as "the Act") and the functions under the Mutual Defense Assistance Control Act of 1951.

2. The Under Secretary of State shall determine the number of personnel in the operating agencies to be compensated at the rates authorized by section 527(b) of the Act.

3. The Under Secretary of State shall approve the amount of funds to be used by the operating agencies for the purposes authorized by sections 537(a)(6) and 537(a)(8) of the Act.

4. The Under Secretary of State shall approve any agreement, or resolve any disagreement, between the International Cooperation Administration and the Development Loan Fund with regard to their respective use of foreign currencies under section 104(g) of the Agricultural Trade Development and Assistance Act of 1954.

5. For purposes of sections 106(a)(2) and 106(c) of Executive Order No. 10575,[2] the Under Secretary of State shall be deemed to be the successor of the Director of the Foreign Operations Administration.

6. The Director of the International Cooperation Administration may, to the extent consistent with law, delegate or assign any of his functions to his subordinates and authorize any of his subordinates to whom functions are so delegated or assigned successively to redelegate or reassign any of such functions. The Director of the International Cooperation Administration or his designees may from time to time, to the extent consistent with law, promulgate such rules and regulations as may be necessary and proper to carry out any functions of the International Cooperation Administration or the Director or agencies, officers, or employees thereof.

7. The records, property, personnel, positions, and unexpended balances of appropriations, allocations, and other funds of the Foreign Operations Administration

[1] Departmental Reg. 168; 25 *Fed. Reg.* 3682.
[2] For text, see BULLETIN of Dec. 13, 1954, p. 914.

transferred to the Department of State by section 302 of Executive Order 10610[3] shall continue to be placed in the International Cooperation Administration.

8. Notwithstanding paragraph 1 of this Redelegation of Authority, the Under Secretary of State may at any time exercise any function redelegated to the Director of the International Cooperation Administration by this Redelegation of Authority.

9. Any reference in this Redelegation of Authority to the Mutual Security Act of 1954 or to any other Act shall be deemed to be a reference to such Act as amended from time to time, and any reference herein to any Executive Order or Order delegating functions thereunder shall be deemed to be a reference to such Order as amended from time to time.

10. This Redelegation of Authority shall become effective on the date of its signature.

Dated: April 12, 1960.

DOUGLAS DILLON,
Under Secretary of State.

Appointments

Jack Bennett as ICA Regional Director for the Near East and South Asia, effective May 2. (For biographic details, see Department of State press release 245 dated May 5.)

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

United States Educational Foundation in Ceylon. TIAS 4376. 5 pp. 5¢.

Agreement between the United States of America and Ceylon, amending agreement of November 17, 1952. Exchange of notes—Signed at Colombo July 29 and October 7, 1959. Entered into force October 7, 1959.

Weather Stations—Cooperative Program on Curaçao and St. Martin Islands. TIAS 4377. 3 pp. 5¢.

Agreement between the United States of America and the Netherlands, extending agreement of August 6 and 16, 1956, as extended. Exchange of notes—Dated at The Hague July 21 and October 10, 1958. Entered into force October 10, 1958. Operative retroactively September 12, 1958.

Exchange of Commodities and Sale of Grain. TIAS 4378. 3 pp. 5¢.

Agreement between the United States of America and Turkey, amending agreement of November 15, 1954, as supplemented. Exchange of notes—Signed at Ankara December 10, 1959. Entered into force December 10, 1959.

General Agreement on Tariffs and Trade. TIAS 4384. 7 pp. 10¢.

Declaration on provisional accession of Israel to agreement of October 30, 1947. Done at Geneva May 29, 1959. Entered into force with respect to the United States of America and Israel December 19, 1959.

Military Bases in the Philippines—Relinquishment of Olongapo and Adjacent Areas. TIAS 4388. 20 pp. 15¢.

Agreement between the United States of America and the Republic of the Philippines. Exchange of notes—Signed at Manila December 7, 1959. Entered into force December 7, 1959.

Surplus Agricultural Commodities. TIAS 4391. 10 pp. 10¢.

Agreement between the United States of America and Turkey. Signed at Ankara December 22, 1959. Entered into force December 22, 1959. With exchange of notes.

Technical Cooperation Program for Trust Territory of Somaliland Under Italian Administration. TIAS 4392. 3 pp. 5¢.

Agreement between the United States of America and Italy, amending agreement of June 28, 1954. Exchange of notes—Signed at Rome December 24, 1959. Entered into force December 24, 1959.

Surplus Agricultural Commodities. TIAS 4393. 2 pp. 5¢.

Agreement between the United States of America and the Republic of Korea, amending agreement of June 30, 1959. Exchange of notes—Signed at Seoul October 12 and December 11, 1959. Entered into force December 11, 1959.

Radio Communications Between Amateur Stations on Behalf of Third Parties. TIAS 4394. 4 pp. 5¢.

Arrangement between the United States of America and Venezuela. Exchange of notes—Signed at Caracas November 12, 1959. Entered into force December 12, 1959.

Uranium Reconnaissance. TIAS 4396. 3 pp. 5¢.

Agreement between the United States of America and Chile, extending agreement of April 10 and 20, 1956. Exchange of notes—Signed at Santiago November 18 and December 18, 1959. Entered into force December 18, 1959. Operative retroactively September 26, 1959.

Commission for Educational Exchange. TIAS 4398. 3 pp. 5¢.

Agreement between the United States of America and Peru, modifying agreement of May 3, 1956, as amended. Exchange of notes—Signed at Lima December 18 and 21, 1959. Entered into force December 21, 1959.

Surplus Agricultural Commodities. TIAS 4400. 3 pp. 5¢.

Agreement between the United States of America and India, amending agreement of November 13, 1959, as supplemented. Exchange of notes—Signed at Washington January 8, 1960. Entered into force January 8, 1960.

Atomic Energy—Cooperation for Civil Uses. TIAS 4402. 9 pp. 10¢.

Agreement between the United States of America and Austria, superseding agreement of June 8, 1956. Signed at Washington July 22, 1959. Entered into force January 25, 1960.

Atomic Energy—Cooperation for Civil Uses. TIAS 4407. 7 pp. 10¢.

Agreement between the United States of America and Israel, amending agreement of July 12, 1955. Signed at Washington August 20, 1959. Entered into force January 28, 1960.

[3] For text, see *ibid.*, May 30, 1955, p. 889.

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254	5/9	Herter: downing of U.S. plane in U.S.S.R. (printed in BULLETIN of May 23).
*255	5/10	Educational exchange.
256	5/11	Arrival of millionth migrant.
†257	5/11	Thayer: Adult Education Association, East Lansing, Mich.
258	5/11	Dillon: N.J. Business Conference, New Brunswick, N.J.
259	5/11	Delegation to Geneva talks on nuclear research program (rewrite).
*260	5/11	Cultural exchange (Mali).
261	5/12	Delegation to International Conference on Safety of Life at Sea (rewrite).
262	5/12	Note to U.S.S.R. on plane incident.
†263	5/13	Delegation to 16th session of GATT (rewrite).
†264	5/13	Dillon: statement on mutual security before Senate Appropriations Committee.
265	5/14	Herter: letter on anniversary of Austrian independence.
266	5/14	Aviation talks with New Zealand.
267	5/14	Statement on rejection of Cuban charges.

* Not printed.
† Held for a later issue of the BULLETIN.

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Bulletin

Vol. XLII, No. 1093 June 6, 1960

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THE DEPARTMENT OF STATE

Bulletin

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June 6, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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President Eisenhower Reports to the Nation (Collapse of Summit Conference)

Address by President Eisenhower[1]

My fellow Americans: Tonight I want to talk with you about the remarkable events last week in Paris, and their meaning to our future.

First, I am deeply grateful to the many thousands of you, and to representatives in Congress, who sent me messages of encouragement and support while I was in Paris, and later upon my return to Washington. Your messages clearly revealed your abiding loyalty to America's great purpose—that of pursuing, from a position of spiritual, moral, and material strength—a lasting peace with justice.

You recall, of course, why I went to Paris 10 days ago.

Last summer and fall I had many conversations with world leaders; some of these were with Chairman Khrushchev, here in America.[2] Over those months a small improvement in relations between the Soviet Union and the West seemed discernible. A possibility developed that the Soviet leaders might at last be ready for serious talks about our most persistent problems—those of disarmament, mutual inspection, atomic control, and Germany, including Berlin.

To explore that possibility, our own and the British and French leaders met together, and later we agreed, with the Soviet leaders, to gather in Paris on May 16.

Of course we had no indication or thought that basic Soviet policies had turned about. But when there is even the slightest chance of strengthening peace, there can be no higher obligation than to pursue it.

Nor had our own policies changed. We did hope to make some progress in a summit meeting, unpromising though previous experiences had been. But as we made preparations for this meeting, we did not drop our guard nor relax our vigilance.

Our safety, and that of the free world, demand, of course, effective systems for gathering information about the military capabilities of other powerful nations, especially those that make a fetish of secrecy. This involves many techniques and methods. In these times of vast military machines and nuclear-tipped missiles, the ferreting out of this information is indispensable to free-world security.

This has long been one of my most serious preoccupations. It is part of my grave responsibility, within the overall problem of protecting the American people, to guard ourselves and our allies against surprise attack.

During the period leading up to World War II we learned from bitter experience the imperative necessity of a continuous gathering of intelligence information, the maintenance of military communications and contact, and alertness of command.

An additional word seems appropriate about this matter of communications and command. While the Secretary of Defense [Thomas S. Gates, Jr.] and I were in Paris, we were, of course, away from our normal command posts. He recommended that under the circumstances we test the continuing readiness of our military communications. I personally approved. Such tests are valuable and will be frequently repeated in the future.

[1] Delivered by television and radio on May 25 (White House press release; as delivered).

[2] BULLETIN of Oct. 12, 1959, p. 499.

Moreover, as President, charged by the Constitution with the conduct of America's foreign relations, and as Commander in Chief, charged with the direction of the operations and activities of our Armed Forces and their supporting services, I take full responsibility for approving all the various programs undertaken by our Government to secure and evaluate military intelligence.

It was in the prosecution of one of these intelligence programs that the widely publicized U–2 incident occurred.[3]

Aerial photography has been one of many methods we have used to keep ourselves and the free world abreast of major Soviet military developments. The usefulness of this work has been well established through 4 years of effort. The Soviets were well aware of it. Chairman Khrushchev has stated that he became aware of these flights several years ago. Only last week, in his Paris press conference, Chairman Khrushchev confirmed that he knew of these flights when he visited the United States last September.

Incidentally, this raises the natural question—why all the furor concerning one particular flight? He did not, when in America last September, charge that these flights were any threat to Soviet safety. He did not then see any reason to refuse to confer with American representatives.

This he did only about the flight that unfortunately failed, on May 1, far inside Russia.

Now, two questions have been raised about this particular flight: first, as to its timing, considering the imminence of the summit meeting; second, our initial statements when we learned the flight had failed.

As to the timing, the question was really whether to halt the program and thus forgo the gathering of important information that was essential and that was likely to be unavailable at a later date. The decision was that the program should not be halted.

The plain truth is this: When a nation needs intelligence activity, there is no time when vigilance can be relaxed. Incidentally, from Pearl Harbor we learned that even negotiation itself can be used to conceal preparations for a surprise attack.

Next, as to our Government's initial statement about the flight, this was issued to protect the pilot, his mission, and our intelligence processes, at a time when the true facts were still undetermined.

Our first information about the failure of this mission did not disclose whether the pilot was still alive, was trying to escape, was avoiding interrogation, or whether both plane and pilot had been destroyed. Protection of our intelligence system and the pilot, and concealment of the plane's mission, seemed imperative. It must be remembered that over a long period these flights had given us information of the greatest importance to the Nation's security. In fact, their success has been nothing short of remarkable.

For these reasons, what is known in intelligence circles as a "covering statement" was issued. It was issued on assumptions that were later proved incorrect. Consequently, when later the status of the pilot was definitely established and there was no further possibility of avoiding exposure of the project, the factual details were set forth.

I then made two facts clear to the public: First, our program of aerial reconnaissance had been undertaken with my approval; second, this Government is compelled to keep abreast, by one means or another, of military activities of the Soviets, just as their Government has for years engaged in espionage activities in our country and throughout the world. Our necessity to proceed with such activities was also asserted by our Secretary of State, who, however, had been careful—as was I—not to say that these particular flights would be continued.

In fact, before leaving Washington I had directed that these U–2 flights be stopped. Clearly their usefulness was impaired. Moreover, continuing this particular activity in these new circumstances could not but complicate the relations of certain of our allies with the Soviets. And of course, new techniques, other than aircraft, are constantly being developed.

Now I wanted no public announcement of this decision until I could personally disclose it at the summit meeting in conjunction with certain proposals I had prepared for the conference.

At my first Paris meeting with Mr. Khrushchev,[4] and before his tirade was made public, I informed him of this discontinuance and the character of the constructive proposals I planned to

[3] For background, see *ibid.*, May 23, 1960, p. 816, and May 30, 1960, p. 851.

[4] For texts of statements made by President Eisenhower at Paris and upon his return to Washington, together with a French-U.K.-U.S. communique of May 17, see p. 904.

make. These contemplated the establishment of a system of aerial surveillance operated by the United Nations.

The day before the first scheduled meeting, Mr. Khrushchev had advised President de Gaulle and Prime Minister Macmillan that he would make certain demands upon the United States as a precondition for beginning a summit conference.

Although the United States was the only power against which he expressed his displeasure, he did not communicate this information to me. I was, of course, informed by our allies.

At the four-power meeting on Monday morning, he demanded of the United States four things: first, condemnation of U-2 flights as a method of espionage; second, assurance that they would not be continued; third, a public apology on behalf of the United States; and, fourth, punishment of all those who had any responsibility respecting this particular mission.

I replied by advising the Soviet leader that I had, during the previous week, stopped these flights and that they would not be resumed. I offered also to discuss the matter with him in personal meetings, while the regular business of the summit might proceed. Obviously, I would not respond to his extreme demands. He knew, of course, by holding to those demands the Soviet Union was scuttling the summit conference.

In torpedoing the conference, Mr. Khrushchev claimed that he acted as the result of his own high moral indignation over alleged American acts of aggression. As I said earlier, he had known of these flights for a long time. It is apparent that the Soviets had decided even before the Soviet delegation left Moscow that my trip to the Soviet Union should be canceled and that nothing constructive from their viewpoint would come out of the summit conference.

In evaluating the results, however, I think we must not write the record all in red ink. There are several things to be written in the black. Perhaps the Soviet action has turned the clock back in some measure, but it should be noted that Mr. Khrushchev did not go beyond invective—a time-worn Soviet device to achieve an immediate objective, in this case, the wrecking of the conference.

On our side, at Paris, we demonstrated once again America's willingness, and that of her allies, always to go the extra mile in behalf of peace. Once again Soviet intransigence reminded us all of the unpredictability of despotic rule and the need for those who work for freedom to stand together in determination and in strength.

The conduct of our allies was magnificent. My colleagues and friends—President de Gaulle and Prime Minister Macmillan—stood sturdily with the American delegation in spite of persistent Soviet attempts to split the Western group. The NATO meeting after the Paris conference[5] showed unprecedented unity and support for the alliance and for the position taken at the summit meeting. I salute our allies for us all.

And now, most importantly, what about the future?

All of us know that, whether started deliberately or accidentally, global war would leave civilization in a shambles. This is as true of the Soviet system as of all others. In a nuclear war there can be no victors—only losers. Even despots understand this. Mr. Khrushchev stated last week that he well realizes that general nuclear war would bring catastrophe for both sides. Recognition of this mutual destructive capability is the basic reality of our present relations. Most assuredly, however, this does not mean that we shall ever give up trying to build a more sane and hopeful reality—a better foundation for our common relations.

To do this, here are the policies we must follow, and to these I am confident the great majority of our people, regardless of party, give their support:

First. We must keep up our strength, and hold it steady for the long pull—a strength not neglected in complacency nor overbuilt in hysteria. So doing, we can make it clear to everyone that there can be no gain in the use of pressure tactics or aggression against us and our allies.

Second. We must continue businesslike dealings with the Soviet leaders on outstanding issues, and improve the contacts between our own and the Soviet peoples, making clear that the path of reason and common sense is still open if the Soviets will but use it.

Third. To improve world conditions in which human freedom can flourish, we must continue to move ahead with positive programs at home and abroad, in collaboration with free nations everywhere. In doing so, we shall continue to give

[5] See p. 907.

our strong support to the United Nations and the great principles for which it stands.

Now as to the first of these purposes—our defenses are sound. They are tailored to the situation confronting us.

Their adequacy has been my primary concern for these past 7 years—indeed throughout my adult life.

In no respect have the composition and size of our forces been based on or affected by any Soviet blandishment. Nor will they be. We will continue to carry forward the great improvements already planned in these forces. They will be kept ready—and under constant review.

Any changes made necessary by technological advances or world events will be recommended at once.

This strength—by far the most potent on earth—is, I emphasize, for deterrent, defensive, and retaliatory purposes only, without threat or aggressive intent toward anyone.

Concerning the second part of our policy—relations with the Soviets—we and all the world realize, despite our recent disappointment, that progress toward the goal of mutual understanding, easing the causes of tensions, and reduction of armaments is as necessary as ever.

We shall continue these peaceful efforts, including participation in the existing negotiations with the Soviet Union. In these negotiations we have made some progress. We are prepared to preserve and build on it. The Allied Paris communique and my own statement on returning to the United States should have made this abundantly clear to the Soviet Government.

We conduct these negotiations not on the basis of surface harmony, nor are we deterred by any bad deportment we meet. Rather we approach them as a careful search for common interests between the Western allies and the Soviet Union on specific problems.

I have in mind, particularly, the nuclear test and disarmament negotiations. We shall not back away, on account of recent events, from the efforts or commitments that we have undertaken.

Nor shall we relax our search for new means of reducing the risk of war by miscalculation and of achieving verifiable arms control.

A major American goal is a world of open societies.

Here in our country anyone can buy maps and aerial photographs showing our cities, our dams, our plants, our highways—indeed, our whole industrial and economic complex. We know that Soviet attachés regularly collect this information. Last fall Chairman Khrushchev's train passed no more than a few hundred feet from an operational ICBM, in plain view from his window. Our thousands of books and scientific journals, our magazines, newspapers and official publications, our radio and television, all openly describe to all the world every aspect of our society.

This is as it should be. We are proud of our freedom.

Soviet distrust, however, does still remain. To allay these misgivings I offered 5 years ago to open our skies to Soviet reconnaissance aircraft on a reciprocal basis. The Soviets refused. That offer is still open. At an appropriate time America will submit such a program to the United Nations, together with the recommendation that the United Nations itself conduct this reconnaissance. Should the United Nations accept this proposal, I am prepared to propose that America supply part of the aircraft and equipment required.

[At this point, an aerial photograph was shown on the television screen.]

This is a photograph of the North Island Naval Station in San Diego, California. It was taken from an altitude of more than 70 thousand feet. You may not perhaps be able to see them on your television screens, but the white lines in the parking strips around the field are clearly discernible from 13 miles up. Those lines are just 6 inches wide.

Obviously most of the details necessary for a military evaluation of the airfield and its aircraft are clearly distinguishable.

I show you this photograph as an example of what could be accomplished through United Nations aerial surveillance.

Indeed, if the United Nations should undertake this policy, this program, and the great nations of the world should accept it, I am convinced that not only can all humanity be assured that they are safe from any surprise attack from any quarter, but indeed the greatest tensions of all, the fear of war, would be removed from the world. I sincerely hope that the United Nations may adopt such a program.

As far as we in America are concerned, our programs for increased contacts between all peoples will continue. Despite the suddenly expressed hostility of the men in the Kremlin, I remain convinced that the basic longings of the Soviet people are much like our own. I believe that Soviet citizens have a sincere friendship for the people of America. I deeply believe that above all else they want a lasting peace and a chance for a more abundant life in place of more and more instruments of war.

Finally, turning to the third part of America's policy—the strengthening of freedom—we must do far more than concern ourselves with military defense against, and our relations with, the Communist bloc. Beyond this, we must advance constructive programs throughout the world for the betterment of peoples in the newly developing nations. The zigs and zags of the Kremlin cannot be allowed to disturb our worldwide programs and purposes. In the period ahead, these programs would well be the decisive factor in our persistent search for peace in freedom.

To the peoples in the newly developing nations urgently needed help will surely come. If it does not come from us and our friends, these peoples will be driven to seek it from the enemies of freedom. Moreover, those joined with us in defense partnerships look to us for proof of our steadfastness. We must not relax our common security efforts.

As to this, there is something specific all of us can do, and right now. It is imperative that crippling cuts not be made in the appropriations recommended for mutual security, whether economic or military. We must support this program with all of our wisdom and all of our strength. We are proud to call this a nation of the people. With the people knowing the importance of this program, and making their voices heard in its behalf throughout the land, there can be no doubt of its continued success.

Fellow Americans, long ago I pledged to you that I would journey anywhere in the world to promote the cause of peace. I remain pledged to pursue a peace of dignity, of friendship, of honor, of justice.

Operating from the firm base of our spiritual and physical strength, and seeking wisdom from the Almighty, we and our allies together will continue to work for the survival of mankind in freedom—and for the goal of mutual respect, mutual understanding, and openness among all nations.

Thank you, and good night.

Western Powers To Continue Efforts for Peace Despite Disruption of Paris Meeting

President Eisenhower arrived at Paris May 15 to attend a meeting of the Chiefs of State and Heads of Government of France, the Soviet Union, the United Kingdom, and the United States. Following are texts of statements he made at Paris, his remarks on his return to Washington, and a communique by the three Western Powers, together with statements by James C. Hagerty, Press Secretary to the President, and by Mr. Hagerty and Andrew H. Berding, Assistant Secretary of State for Public Affairs.

PRESIDENT'S ARRIVAL STATEMENT, PARIS, MAY 15

White House (Paris) press release dated May 15

Once again I am privileged to come to France, this beautiful France, to salute a great people and their leader. I have come here to join with the leaders of France, Great Britain, and the Soviet Union in discussions of historic importance.

The American Government's participation is undertaken not to seek any advantage at another's expense; rather it hopes to prove, equally with any other, its sincere dedication to peace with justice.

Mankind knows that the effects of nuclear war would be not only horrible but universal. Mankind expects the participants in this summit meeting to work honestly and intelligently for measures toward genuine peace.

The hopes of humanity call on the four of us to purge our minds of prejudice and our hearts of rancor. Far too much is at stake to indulge in profitless bickering. The issues that divide the free world from the Soviet bloc are grave and not subject to easy solution. But if good will exists on both sides, at least a beginning can be made. The West, I am sure, will meet Mr. Khrushchev halfway in every honest effort in this direction. America will go every foot that safety and honor permit.

It will be a pleasure to meet again with my old friends, President de Gaulle and Prime Minister Macmillan. I hope to meet another friend, Chancellor Adenauer, this afternoon. I have talked with all three of these leaders in recent weeks, and we have had opportunity to discuss the issues before us. Unity on great principles and purposes strengthens the Western Powers as the eyes of the world turn toward Paris. I pray that the grace of God will be with us to direct our efforts so that progress toward a just peace may be achieved.

PRESIDENT'S STATEMENT OF MAY 16[1]

Having been informed yesterday by General de Gaulle and Prime Minister Macmillan of the position which Mr. Khrushchev has taken in regard to this conference during his calls yesterday morning on them, I gave most careful thought as to how this matter should best be handled. Having in mind the great importance of this conference and the hopes that the peoples of all the world have reposed in this meeting, I concluded that in the circumstances it was best to see if at today's private meeting any possibility existed through the exercise of reason and restraint to dispose of this matter of the overflights, which would have permitted the conference to go forward.

I was under no illusion as to the probability of success of any such approach, but I felt that, in view of the great responsibility resting on me as President of the United States, this effort should be made.

[1] Made following the May 16 meeting of the four Heads of Government (press release 271 dated May 17).

In this I received the strongest support of my colleagues, President de Gaulle and Prime Minister Macmillan. Accordingly, at this morning's private session, despite the violence and inaccuracy of Mr. Khrushchev's statements, I replied to him in the following terms:

I had previously been informed of the sense of the statement just read by Premier Khrushchev.

In my statement of May 11th[2] and in the statement of Secretary Herter of May 9th[3] the position of the United States was made clear with respect to the distasteful necessity of espionage activities in a world where nations distrust each other's intentions. We pointed out that these activities had no aggressive intent but rather were to assure the safety of the United States and the free world against surprise attack by a power which boasts of its ability to devastate the United States and other countries by missiles armed with atomic warheads. As is well known, not only the United States but most other countries are constantly the targets of elaborate and persistent espionage of the Soviet Union.

There is in the Soviet statement an evident misapprehension on one key point. It alleges that the United States has, through official statements, threatened continued overflights. The importance of this alleged threat was emphasized and repeated by Mr. Khrushchev. The United States has made no such threat. Neither I nor my Government has intended any. The actual statements go no further than to say that the United States will not shirk its responsibility to safeguard against surprise attack.

In point of fact, these flights were suspended after the recent incident and are not to be resumed. Accordingly, this cannot be the issue.

I have come to Paris to seek agreements with the Soviet Union which would eliminate the necessity for all forms of espionage, including overflights. I see no reason to use this incident to disrupt the conference.

Should it prove impossible, because of the Soviet attitude, to come to grips here in Paris with this problem and the other vital issues threatening world peace, I am planning in the near future to submit to the United Nations a proposal for the creation of a United Nations aerial surveillance to detect preparations for attack. This plan I had intended to place before this conference. This surveillance system would operate in the territories of all nations prepared to accept such inspection. For its part, the United States is prepared not only to accept United Nations aerial surveillance but to do everything in its power to contribute to the rapid organization and successful operation of such international surveillance.

We of the United States are here to consider in good faith the important problems before this conference. We are prepared either to carry this point no further or to undertake bilateral conversations between the United States and the U.S.S.R. while the main conference proceeds.

My words were seconded and supported by my Western colleagues, who also urged Mr. Khrushchev to pursue the path of reason and common sense and to forget propaganda. Such an attitude would have permitted the conference to proceed. Mr. Khrushchev was left in no doubt by me that his ultimatum would never be acceptable to the United States.

Mr. Khrushchev brushed aside all arguments of reason and not only insisted upon this ultimatum but also insisted that he was going to publish his statement in full at the time of his own choosing. It was thus made apparent that he was determined to wreck the Paris conference. In fact the only conclusion that can be drawn from his behavior this morning was that he came all the way from Moscow to Paris with the sole intention of sabotaging this meeting on which so much of the hopes of the world have rested.

In spite of this serious and adverse development I have no intention whatsoever to diminish my continuing efforts to promote progress toward a peace with justice. This applies to the remainder of my stay in Paris as well as thereafter.

STATEMENT BY MR. HAGERTY, MAY 17

White House (Paris) press release dated May 17

The President understands from the invitation of President de Gaulle, the host and chairman, that the meeting which he has called for this afternoon will be a formal session of the conference at the summit. In this light, the conference will address itself to the subjects which had originally been accepted for discussion.

In accepting this invitation, the President of the United States assumes that acceptance by the Soviet representative of the same invitation to attend this meeting would constitute a withdrawal on his part of the "conditions" which had already been refused by the President.

WESTERN COMMUNIQUE, MAY 17

White House (Paris) press release dated May 17

The President of the United States, the President of the French Republic and the Prime Minister of the United Kingdom take note of the fact that because of the attitude adopted by the Chairman of the Council of Ministers of the Soviet

[2] For text, see BULLETIN of May 30, 1960, p. 851.
[3] For text, see *ibid.*, May 23, 1960, p. 816.

Union it has not been possible to begin, at the Summit Conference, the examination of the problems which it had been agreed would be discussed between the four Chiefs of State or Government.

They regret that these discussions, so important for world peace, could not take place. For their part, they remain unshaken in their conviction that all outstanding international questions should be settled not by the use or threat of force but by peaceful means through negotiation. They themselves remain ready to take part in such negotiations at any suitable time in the future.

STATEMENT BY MR. HAGERTY AND MR. BERDING, MAY 18

White House (Paris) press release dated May 18

The President of France, the President of the United States, and the Prime Minister of Great Britain met for 1 hour at the Elysée Palace with their Foreign Ministers. They heard a report of the Ministers on their discussions this morning concerning the international situation now prevailing.

President Eisenhower remained behind after the meeting for a farewell visit with President de Gaulle. This visit took place this evening rather than tomorrow morning because of President Eisenhower's early departure for Lisbon.

PRESIDENT'S DEPARTURE STATEMENT, PARIS, MAY 19

White House (Paris) press release dated May 19

Again I have the opportunity to say adieu to France. I share the disappointment of my colleagues that, because of our inability to convene the summit conference, we could make no progress toward easing the tensions that so plague mankind. But I equally share their confidence that because of this setback we of the Western allies, particularly France, Britain, and the United States, both through their Governments and through their people, are joined even closer than before in their determined pursuit of peace with justice in the world.

And so now I say, or express my deep gratitude to the people of France, who have made our stay here so enjoyable personally and who have been so generous in their extension of courteous hospitality. It is a lovely country that I hope in the coming months and years to visit often. Thank you all very much.

PRESIDENT'S REMARKS, WASHINGTON, MAY 20[4]

My good friends and fellow citizens: After a trip of this kind you can well understand what it means to me to have this kind of a welcome. I am deeply appreciative of the trouble that each of you took to come out to this spot. It truly means a lot to me.

As we planned for the summit the hopes of the world were not too high. The experience of the past years had denied us any right to believe that great advances toward the purpose we seek—peace with justice—could be achieved in any great measure. Yet it seems that the identity of interest between ourselves and the Soviets in certain features was so obvious that logically we should have made some progress.

Certainly the subjects on which we wanted to talk were those that seemed so important to them, for example, disarmament, the widening of contacts so that we would have open societies—or slightly more open societies—dealing with each other, then the matter of Berlin and a divided Germany, and finally, as between Russia, the U.K., and ourselves, some agreement on a plan for control of nuclear testing.

Therefore it was a mystery—and remains a mystery—as to why at this particular moment the Soviets chose so to distort and overplay the U-2 incident that they obviously wanted no talks of any kind and, in fact, made it impossible to begin them. I am not going to speculate today as to the future, but it is quite clear that, since they wanted no talks whatsoever at this time, we can be watchful for more irritations, possibly other incidents that can be more than annoying, sometimes creating real problems.

For example, just today a half hour before I landed, it was reported to me that there is a C-47 missing in Western Germany. This is an unarmed, slow plane—no possibility of being used for military purposes—and in fact, I believe it had

[4] Made at Andrews Air Force Base, Md. (White House press release dated May 20).

nine passengers aboard. There was some bad weather, and its route took it near the Eastern German border. We do not know at this moment that any deliberate act delayed it, but at least it is overdue. And so, in the atmosphere in which we now have to think and live, we cannot be sure that the worst has not happened.

Now, I may want to talk soon to the Nation about these matters, and for that part of it, I now stop. But I do want to tell all of you people about three or four encouraging features that I encountered. First of all was the assurance of the support of the home folks; from friends, and from the Joint Chiefs of Staff, from the political leaders of both parties, from newspaper comments and editorial comment of every kind, I was assured of the essential solidarity of the United States and the sincerity of our peaceful purposes.

Secondly was the conduct of my two principal colleagues of the West. Mr. Macmillan and General de Gaulle were superb. They spoke with one voice with our delegation in support of those things which we thought right and decent and logical.

Thirdly was an action on the part of the NATO Council yesterday when Secretary Herter reported to them while I was in Portugal. The NATO resolution unanimously supported the three Western Powers in what we were trying to do.

And finally, the Portuguese reception—in a way I think they wanted to provide the United States and the West, and even me personally, with something of an antidote for some of the disappointments we have felt. Government and citizens alike tried to outdo themselves in the warmth and cordiality of their reception, and, on top of that, in their assurances from every side—newspapers, the officials, common people coming in who were serving us in the Palace—everywhere they said the West in effect is right and we want you to know it. And they used every possible way to do it. And for that day in Portugal yesterday I am grateful.

Finally, since most of you will understand that by our time here it was 1 o'clock when I arose this morning, I am sure you expected nothing of eloquence. But I did want sincerely to give you some of my reactions, convictions as of this moment, and to say again to each of you: Thank you very much indeed.

NATO Council Reaffirms Complete Solidarity

Following is the text of a communique released at Paris on May 19 following a meeting of the Permanent Council of the North Atlantic Treaty Organization.

Press release 274 dated May 19

The Permanent Council of the North Atlantic Treaty Organization met in Paris on May 19, 1960, and heard statements from the Foreign Ministers of France, the United Kingdom and the United States on the events which prevented the holding of the summit conference.[1]

In the communique published at the end of its meeting in Istanbul,[2] the Atlantic Council welcomed the prospects of negotiations with the Soviet Union and expressed the hope that the negotiations would lead to an improvement in international relations.

It regrets that Mr. Khrushchev's position has made negotiations in Paris impossible.

Reaffirming complete solidarity of the countries of the Alliance, it fully approves the statement of the three Heads of State or Government that "all outstanding international questions should be settled not by the use or threat of force but by peaceful means through negotiations" and remains "ready to take part in such negotiations at any suitable time in the future".

President Eisenhower Makes Official Visit to Portugal

Following are texts of remarks made by President Eisenhower during his visit to Portugal May 19–20.

ARRIVAL STATEMENT[3]

I thank you most sincerely for your warm words of welcome. It is 9 years since I last visited this lovely land. It was a January day of beautiful sunshine, and I recall very vividly the opportunity I had to see from the vantage point of the Edward VII Park the lovely city of Lisbon. Now I am particularly fortunate that I come back when you are celebrating your Fifth Centenary of

[1] See p. 904.

[2] For text, see BULLETIN of May 23, 1960, p. 840.

[3] Made at Portela Airport, Lisbon, on May 19 (White House (Lisbon) press release).

Prince Henry, the great navigator. His studies and leadership were the very inspiration for the great age of exploration. And America joins, the American people join, your people in the salute to this great gentleman, a man whose genius did so much to enrich both our country and yours.

Finally I come back to tell you that there are no great problems between the United States and Portugal. Our entire history since the birth of my Nation has been that of friendship. And in friendship we are members of the United Nations; we are both members of the North Atlantic Treaty Organization, an alliance that seeks only security and peace. And our two nations, despite obstacles set in our paths by others, will continue the march toward peace and freedom.

LUNCHEON TOAST[2]

Mr. President [Américo Deus Rodriques Thomaz], Mrs. Thomaz, ladies and gentlemen: I am grateful for your words to me, my country, and the people of the United States.

In the past, hardy Portuguese explorers spent many months penetrating the uncharted distances between our two continents. Today the space between us has been reduced to a few hours on a jet plane. May this shrinking distance symbolize the ever more binding ties between our two nations.

Founding partners in the NATO alliance, we are of a like abiding confidence in its strength and in the ideals which it seeks to preserve and defend.

Ladies and gentlemen, to Portuguese-American friendship: May it be in the future as it has been in the past—warm, steadfast, and enduring.

Ladies and gentlemen, will you join me in a toast to the President of Portugal?

DINNER TOAST[3]

Mr. President, Mrs. Thomaz, ladies and gentlemen: This has been a wonderful day. After the disappointments arising out of the failure to convene a summit conference, it has given me great pleasure to revisit Portugal. I know that neither of our countries will be dismayed by this setback. On the contrary, it will merely spur our efforts toward peace with justice.

I have happy memories of my first trip here in 1951. And it has been particularly gratifying to renew my acquaintance with President Thomaz and with Dr. Salazar, who received me so cordially 9 years ago.

Today the Portuguese Government and the Portuguese people have been equally generous in making this visit a heartwarming occasion. I see in this gracious welcome traditional Portuguese hospitality. In it I see, too, evidence of the long-standing friendship between our two nations and of our mutual devotion to the cause of maintaining a free and peaceful world. And so I offer this toast: To the President and the people of Portugal.

DEPARTURE STATEMENT[4]

Mr. President and all citizens of this lovely and friendly country: First of all, Mr. President, will you permit me a word of congratulations to the armed services for the beauty and character of the arrival and departure ceremonies. Never have I seen any more impressive than this.

Twenty-four hours is far too short a time to spend in your lovely country. As in my visit here in 1951, I have been impressed by the beauty of Portugal and by the friendliness and hospitality of the Portuguese people. Equally impressive are the signs of real progress. Today I saw whole communities which in my visit in 1951 did not exist.

Brief as this visit was, I believe it has been productive of many useful results. My talks with President Thomaz and with the President of the Council, Dr. [Antonio de Oliveira] Salazar, have been conducted in a spirit of complete mutual understanding. All of us realize that we are united in a common cause and that each of us, in his own way, shares a part of the responsibility of striving for a peaceful and better world. Moreover, our talks together have once again affirmed the spirit of friendship and good will that has always characterized the relations between Portugal and the United States.

The time has come to say goodby. It is with the greatest reluctance that I take my leave after this pleasant stay with you.

But in the name of the American people, I salute the Portuguese nation, its distinguished leaders, and its wonderful, warmhearted citizens. My deepest gratitude and thanks go to all who have made this visit so pleasant and memorable.

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[2] Made at a luncheon given in President Eisenhower's honor by President Thomaz at Ajuda Palace, Lisbon, on May 19 (White House (Lisbon) press release).

[3] Made at a dinner given in President Thomaz' honor by President Eisenhower at Queloz Palace, Lisbon, on May 19 (White House (Lisbon) press release).

[4] Made at Portela Airport, Lisbon, on May 20 (White House (Lisbon) press release; as delivered).

Japanese-American Friendship

Remarks by Acting Secretary Dillon[1]

I am highly honored to join with the Japan-America Society of Washington in commemorating the Centennial of the first Japanese embassy to the United States and to greet former Prime Minister Shigeru Yoshida and the other distinguished members of the Centennial mission.[2]

The visit of Lord Shimmi and his suite to Washington 100 years ago ushered in an era of vast benefits for both Japan and the United States, which has witnessed the emergence of Japan as a major industrial power. Japan's present industrial strength and her remarkable recovery from the postwar period are highlighted by a 25 percent increase in living standards over prewar levels—and that, despite a population rise of more than 20 million and the need to rebuild cities and industry.

When I visited Japan last fall, new buildings and factories were everywhere evident. I saw that, thanks to the energy and skill of its people, Japan has a first-class industrial plant, capable of pioneering advances.

This plant, these skills, and the energy of the Japanese people are building a standard of life beyond the dreams of past generations. These advances are going forward, moreover, without sacrificing the true values of Japanese culture and society. The success of Japan is a living answer to those who, while making a fetish of crass materialism, despise, and would destroy if they could, human and national values.

Parallel with Japan's progress has been the growth of her relations with the United States. The events that crowd this centennial year are sufficient to illustrate the intimacy of our present ties:

The year began with highly rewarding talks between Prime Minister Kishi and President Eisenhower and the signing at the White House of the Treaty of Mutual Cooperation and Security, which provides a firm foundation for the next century.[3]

Today we welcome to Washington a delegation of Japan's leaders.

Next month the President travels to Japan to help commemorate the Centennial.

Next September Their Royal Highnesses, the Crown Prince and Princess, will visit this country, where they will be most warmly welcomed.

The United States is confident that our present friendship with Japan is no temporary phenomenon. We have had to overcome enormous barriers of language, custom, and contrasting civilizations. Difficulties of the most serious nature have arisen. To ignore the armed conflict between the United States and Japan would deny to us both the invaluable experience gained from its resolution. Out of the devastating hostilities of World War II has grown a firmer relationship and far greater understanding of the necessity for peaceful settlement of differences. For our part, we shall not waver in our efforts to intensify friendship with the people of Japan.

Success in forging our present partnership would not have been possible without the untiring efforts of men dedicated to Japanese-American friendship. We have among us today Mr. Yoshida, a man whose contribution to this cause is unsurpassed. Mr. Yoshida was Japan's Prime Minister almost continuously during the crucial postwar years. Without his leadership, his foresight, and his stubborn insistence upon building a solid foundation for Japanese-American ties the Centennial events of this year would not have been possible.

Mr. Yoshida, the United States has many reasons to be grateful to you: for your wise counsel during the trying occupation period; for your conspicuous role in framing the peace treaty; and, most important, for the close and friendly ties now linking our two countries. Your presence here today is dramatic proof that your contribution to Japanese-American relations continues undiminished.

The Centennial is a fitting time to look to the future. There are compelling interests that draw us together. The underlying strength of our two countries gives us a common interest in maintaining peace and in bolstering the stability and welfare of other free countries whose shores are lapped by the Pacific and whose peoples are equally dedicated to the cause of democracy and human freedom.

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[1] Made before the Japan-America Society at Washington, D.C., on May 20 (press release 275).

[2] For an article by E. Taylor Parks on "The First Japanese Diplomatic Mission to the United States—1860," see BULLETIN of May 9, 1960, p. 744.

[3] *Ibid.*, Feb. 8, 1960, p. 179.

United States of America–Japan Centennial Year

A PROCLAMATION[1]

WHEREAS a special Japanese mission, comprising three principal officers together with nearly seventy subordinates, arrived in Washington on May 14, 1860, presented credentials to President Buchanan on May 17, exchanged the ratifications of the Treaty of Amity and Commerce of 1858 on May 22, took leave of the President on June 5, and sailed from New York for Japan on June 30, 1860; and

WHEREAS the visit of this mission to the United States, which was an act of reciprocity for the missions of Matthew C. Perry and Townsend Harris to Japan, provided an auspicious introduction of Japanese officials to this country; and

WHEREAS the year 1960 marks the one-hundredth anniversary of the first Japanese diplomatic mission to the United States; and

WHEREAS in signing the Treaty of Mutual Cooperation and Security on January 19, 1960, the two nations have envisaged a lasting partnership based on equality and on mutual interest and understanding; and

WHEREAS both Governments look forward to the celebration of this year as the centennial of reciprocal United States–Japanese diplomatic relations:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby proclaim the year 1960 to be the United States of America–Japan Centennial Year.

I call upon all agencies and officers of the Federal Government, upon the Governors of the States, and upon the American people to observe this year as the United States of America–Japan Centennial Year.

I urge that throughout this period—especially during the week from September 27 to October 3—appropriate steps be taken, through celebrations, visits, and other observances and activities, to emphasize both the historical event of a century ago and the inauguration of a new era in the relations between the two countries, founded on amity, common interest, mutual trust, and cooperation, with the view that intelligence, imagination, and wisdom among our respective peoples may be brought into full play to achieve a world at peace with freedom and justice.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this fourteenth day of May in the year of our Lord nineteen hundred and sixty, and of the independence of the United States of America the one hundred and eighty-fourth.

[SEAL]

Dwight D. Eisenhower

By the President:
LOY W. HENDERSON,
Acting Secretary of State.

[1] No. 3349; 25 *Fed. Reg.* 4443.

Commercial, cultural, and scientific relations have created a broad community of interest and interdependence between our peoples. The stake in accelerating ever-closer ties is not the monopoly of a few government leaders. The stake is widely shared by the cotton growers of our South, the skilled technicians of Japan's factories, the grain farmers of Iowa, and the Japanese fishermen who provide seafood products for American tables.

We are also, in a very real sense, neighbors separated only by the brief span of a jet flight from our newest State, Hawaii.

A community of interest is not, however, a guarantee of closer relations. It is essential that we pursue our common interests cooperatively and in a spirit of mutual understanding and confidence.

There are several steps we can now take to develop what President Eisenhower has called "an indestructible partnership" between our two countries:

First, we can carry forward the new Treaty of Mutual Cooperation and Security and make it a growing force for peace and security in the Far East. A great step in this direction was taken yesterday by the Lower House of the Japanese Diet. Its approval of the treaty is a source of great satisfaction to all friends of Japan in the United States.

Second, we can energetically work to keep trade channels flowing between Japan and the United States. Japan's capacity to provide the living standards to which her people aspire depends upon trade. We Americans must maintain and increase our exports if we are to meet our international obligations. Both countries, therefore, share a common interest in the task of dismantling as quickly as possible the postwar residue of trade restric-

ions. We must likewise work together to assure hat rising levels of trade are achieved in an orlerly fashion and without disrupting established narkets. Otherwise it will be difficult to keep Jnited States commercial policy moving in a libral direction.

Japan's dramatic postwar recovery, in which Ir. Yoshida played such a major role, has made t a major force in worldwide economic activity. A measure of Japan's rising economic stature is he contribution she is already making to the growth of newly developing areas. Last year, apanese investment programs in these countries mounted to about $130 million. Japan is also providing some $70 million annually to certain Far East countries in reparations and other postvar settlements. If significant progress is to be nade in the economic growth of the newly deeloping countries, the task of assistance must be hared among the more fortunate nations. The Jnited States is determined not to diminish its wn contribution, but the cooperation of all counries is needed. Japan's participation in the new Development Assistance Group is, therefore, logial and most welcome.[4]

Japan's contribution is not limited to financial id. Her technical skills, her intimate connecions in Asia, her experience with problems comion to that region provide a unique basis for ssisting the newly developing nations. In paricular, much can be learned from the accomplishnent of Japan in achieving enormous rates of conomic growth without repression and without acrificing political democracy and free, private nstitutions. The problems faced by the newly eveloping nations present a major challenge to apan and the United States. Our very survival nay depend upon our success in meeting this hallenge.

In closing I should like to repeat to the Centennial mission, headed by Prime Minister Yoshida, the offer made to the first Japanese emassy 100 years ago by our President Buchanan:

"During your residence among us, which I hope vill be sufficiently prolonged to enable you to visit he different portions of our country, we shall be appy to extend to you all the hospitality and kindness justly due to the great and friendly sovereign whom you so worthily represent."

[4] *Ibid.*, Apr. 11, 1960, p. 577.

Gift From People of Netherlands Symbolizes Friendship With U.S.

White House press release dated May 6

Following is an exchange of messages between President Eisenhower and Her Majesty Juliana, Queen of the Netherlands.

President Eisenhower to Queen Juliana

May 5, 1960

Her Majesty
Juliana
Queen of The Netherlands
The Hague

Your Majesty: I am most grateful for your thoughtful message. It is indeed appropriate that today, the fifteenth anniversary of the liberation of your great country, should be the occasion of the presentation of the monument from you and the people of The Netherlands to the people of the United States.[1] Personally and on behalf of all our citizens I assure you of our deep appreciation. The monument will remain a symbol of the enduring friendship between our peoples.

Sincerely,

Dwight D. Eisenhower

Queen Juliana to President Eisenhower

May 5, 1960

The President
The White House
Washington

At the commemoration of our liberation 15 years ago and at the completion of the monument of our gratitude I should like once again to emphasize the moral and material support your country gave us in so ample measure during and after the war. Gladly I take this opportunity, Mr. President, to send you and the people of the United States of America, also on behalf of the people of The Netherlands, my very best wishes for a peaceful and prosperous future.

Juliana

[1] A 127-foot bell tower with a carillon of 49 bells was formally presented to the people of the United States from the people of the Netherlands at Washington, D.C., on May 6 in appreciation of U.S. assistance to Holland during and after World War II.

The Growing Importance of Educational Exchange in the American Republics

by R. R. Rubottom, Jr.
Assistant Secretary for Inter-American Affairs [1]

I think there is no more appropriate a word to symbolize the aspirations of our forward-looking hemisphere than "education." Here, in one word, is the key to much of the attainment of a better life for the people of the Americas, of whom a great many have a perfect right to fuller expectation. Here also lies the hope for realizing much of the enormous potential with which nature has endowed this hemisphere, for among its abundant resources there is none so precious or important as the human.

Both the economy and population of Latin America have entered into an era of vigorous expansion, but each is dependent on the other for truly constructive growth. Industry and commerce will need trained and well-educated personnel in ever-greater numbers at a time when, fortunately, the work force will be on the increase. The Latin America that is underpopulated and underdeveloped will be passing from the modern scene, replaced by a new era of transformation in some of the existing social and political structure as well as economic vitality.

As this change is ushered in, the adequacy of human resources is likely to reach a critical stage in the near future. Let us consider a few facts. The 90 million population of the Latin American Republics 40 years ago is almost 200 million today and will become 255 million at the end of the current decade. This population surge challenges the entire hemisphere to provide better opportunity through education that has not been provided before. Today the shortage of elementary school teachers in Latin America stands at 400,000—only slightly less than the number actually teaching. Of the children who should be in elementary schools, we are told that only 50 to 60 percent are attending. Of the children who should be in secondary schools, less than 10 percent are attending. Among a population larger than our own, only about 350,000 are attending universities as compared with 3 million in the United States. Of the adult population of Latin America, more than 70 million cannot read or write. The average educational level of the total population is less than the first grade.

The task that lies ahead is enormous, and yet I view the prospects for success with optimism. Much of the groundwork that was prepared with patience and foresight over the past only now is beginning to show results, and many of the long-range programs that are still in process will show compounded results in the future. We believe a great deal of progress has been made and that a great deal more is in the offing. To help these countries raise their educational standards to a point where they may reap in large measure the benefits of their true potential is a task that the United States enjoys sharing with other nations in our mutually dependent hemisphere.

These results not only will be evident in the larger numbers of trained and educated personnel so necessary to economic and social development but also in the greater understanding that is provided through educational exchange. The students, teachers, professors, and specialists of all kinds who live and study in countries other than

[1] Address made before the fourth annual conference of the Institute of Ibero-American Studies at the Catholic University of America, Washington, D.C., on May 6 (press release 248).

heir own are important links, each one, in strengthening the bonds of international cooperation and understanding. In this context we hold the view that the cultural purposes of educational exchange are at least on the same level of importance as the technical purposes.

Landmarks of Educational Exchange

Educational exchange now is truly a vast national and international endeavor that crisscrosses both continents in myriad fashion. But it also dates back to the earliest days of independence in Latin America. The great freedom fighter Francisco de Miranda was an observer at Yale University during the early years of the 19th century, and Simón Bolívar, the Liberator, sent his son to study at the University of Virginia. The earliest exchange agreement between governments was signed between Guatemala and El Salvador in 1876, but it was not until the turn of the century that mutual cultural interest between the United States and Latin America began to be stimulated by greater political and economic relationships. In the aftermath of the Spanish-American War the United States Army initiated a project that brought 1,250 teachers from Cuba to Harvard University for advanced training. In the United States a few universities and colleges began to pioneer in the field of Latin American history and civilization.

While I have no wish to recite a history of educational exchange, I do want to call attention to one of its most important landmarks, the Convention for the Promotion of Inter-American Cultural Relations,[2] signed at Buenos Aires in 1936. This agreement among 17 of the American Republics, including the United States, marked the first recognition of cultural exchange as a major plant in overall U.S. foreign policy, and since that time it has played a continuing role in the development of international understanding and mutual respect. It is significant that this element, now firmly entrenched in our worldwide relationships, first took root in our relations with Latin America.

I cannot say enough in support of educational exchange as a vital aspect in the conduct of our foreign affairs. Today the world is divided into two camps of separate ideologies. Cultural exchange could be a middle ground, a meeting place, where ideological differences could be subordinated to the common task of searching out the truth. Is it too much to hope that the pathway of mutual respect in matters cultural and educational might lead to broad fields of understanding that previously have been unattainable? In the Western Hemisphere, where democracy generally carries the same meaning everywhere without ideological misinterpretation, educational exchange is a broad avenue instead of a pathway, and it leads to a higher social and economic attainment for our many peoples. In the final analysis, by far the majority of exchange programs in the Americas serve not so much the needs of the individual as the needs of whole nations. Not that educational exchange is a cure-all by itself. Rather it is a catalyst that serves to set the process of change in motion, with most of the real effort being completed within the boundaries and through the efforts of the individual countries. If the exchange of persons is not a cure-all for everything that needs doing in our hemisphere, it is, in many instances, a strong and solid foundation on which the framework of progress can be built.

The efforts of our own Government are but a small part in the whole montage of educational exchange between the countries of the Americas. It is probable that an enumeration of the total number of programs and persons exchanged has never been attempted. In the United States alone, exchanges are conducted by three Government agencies, philanthropic groups such as the Rockefeller, Ford, Guggenheim, and Kellogg Foundations, private organizations such as the Institute of International Education, many universities dealing directly with foreign countries, businessmen's organizations such as Rotary International, and even individual citizens who wish to help foreign students receive university training. Of growing importance is the work of the Organization of American States, with its many grants under the fellowship and technical cooperation programs.

What is more significant than the number of persons exchanged or the money spent or the organizations involved is an examination of educational exchange in the light of actual needs and the promise of fulfillment of national objectives within our 21 Republics.

Let us consider some of the many fields of endeavor where educational exchange has contrib-

[2] 51 Stat. 178.

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uted or will contribute to the advancement of well-being for people of the Americas, keeping in mind that these efforts are significant only because the individual countries have supplemented these programs with much larger efforts of their own in attempting to deal with their individual needs.

Progress in Engineering and Science

A large number of grants are focused on the need for more engineers—electrical, chemical, civil, electronic, safety, industrial engineers, and other categories. Hardly any vocation could be more vital to the economic advancement of the Americas. In fact, the shortage of engineers today is acute throughout most of the world. Some 325,000 current enrollments in our own universities are not enough for United States needs; yet in Latin America only some 50,000 university students are taking engineering courses. More than mere numbers, there are too few graduate courses providing the advanced training so necessary to this critical area of learning.

A number of universities in Latin America are making valiant progress against this need. I would like to point out one dramatic example—the Monterrey Instituto Tecnológico of Monterrey, Mexico. Established during World War II to meet the increasing needs of Mexican industry, this private institution moved into its impressive "university city" home only in 1947 and today enjoys a growing reputation as the "MIT of Latin America." In 17 years its enrollment has grown from approximately 200 to well over 5,000. Its well-paid faculty works full time on the campus; its laboratories are extensive; its administration is professional; student discipline is enforced, and many students live in campus dormitories. All these factors set it apart from most Latin American universities.

But the real significance of the Tecnológico to the Western Hemisphere is its international attraction, for within its purely Mexican character it is international in faculty experience, in student enrollment, and in administrative outlook. This is borne out in its concerted drive to establish an extensive system of graduate studies. The founding of graduate programs in Latin America, particularly in the sciences, has been slow because professors with graduate degrees, many of which must be earned at great cost in foreign countries, are not available in sufficient numbers. To solve this problem, the Tecnológico encourages faculty members to apply for foreign scholarships, assures reemployment of grantees for a specified number of years, pays supplementary costs not covered by their grants, and assumes complete financial support of their families during the course of study—which might be as much as 3 years for a doctoral degree.

This has stimulated large numbers of professors to study abroad, and the graduate program is well underway. Of the total faculty, approximately 50 percent have studied so far in foreign universities. Of these, 90 professors have studied in the United States and 40 others in Spain, France, Italy, Germany, England, Switzerland, Canada, and Uruguay. The industries that provide most of the support for this farsighted plan will benefit most from it, in terms of new sources of technological personnel with the academic background necessary to their production. As the quality and breadth of its technological training increases, the influence of the Tecnológico expands in ever-widening circles as an educational center of high stature in Latin America. At the present time 404 foreign students are enrolled, representing 16 of the 21 American Republics as well as three European countries.

Throughout Latin America the ferment of rapid industrialization has stimulated various countries to seek help in establishing new science courses and even new universities. In São José dos Campos, Brazil, a model engineering university is being established—the Aeronautical Institute of Technology—with the help of United States professors who are experts in nucleonics, heat transfer, motive power, and related fields. Supported by ICA [International Cooperation Administration] grants, these professors help to develop the curriculum, train Brazilian professors, and teach classes. In Chile our National Academy of Sciences assists the seven universities of that country in improving scientific and technological training in an ICA project aimed at increasing the number of science and technology graduates, improving the training of these graduates, and increasing the role of the universities in the effective use of national resources. A Smathers amendment [3] loan of $850,000 was obtained for the pur-

[3] Sec. 400(b) of the Mutual Security Act of 1954, as amended.

chase of laboratory equipment and technical library books.

Need for More Teachers

I have mentioned earlier the need for more teachers. Surely there is no field more important to the public welfare than education, the wellspring of all development—social, economic, political, and cultural. An enlightened and intelligent populace is the basic measure of progress in human advancement. In this extensive field the Pan American Union has prepared excellent materials to help Latin American governments in providing basic needs such as adequate reading materials and specialized personnel. A fundamental education series of 68 titles—amounting to some 4 million booklets—gives the fundamental details on such topics as health and child care, soil conservation and cooperatives, economics and community improvement. Designed for facile understanding by adults of limited reading ability, these pamphlets have been widely reproduced by member states. At Patzcuaro, Mexico, 400 education grantees from various countries have been trained in the use of these fundamental education programs by the Latin American regional fundamental education center operated by UNESCO [U.N. Educational, Scientific and Cultural Organization].

Another highly significant project is carried out twice a year by the University of Puerto Rico—the teacher development seminars. Here Latin American teachers are taught new methods and techniques which might be developed for their own countries. Initiated in 1956, these seminars have helped to prepare 300 teachers from 19 countries for a role of renewed effectiveness in their many duties.

There is not a single country in the hemisphere that is not working hard to bring more teachers into the profession in the struggle to diminish illiteracy. A large amount of help is available from public and private sources, as for example ICA assistance to the Government of Peru, where eight teachers colleges and the University of San Marcos are conducting programs of curriculum development, teaching methods, and administration. So far the qualifications of more than 2,000 Peruvian teachers have been improved through this program alone.

The campaign against illiteracy goes beyond government and becomes a truly civic movement in which the cooperation of the church, home, and place of business joins the school in making a wide and sustained effort. Some of the individuals who have become imbued with this spirit have accomplished monumental results. In Colombia a priest teaches the fundamentals of reading, writing, and arithmetic in a radio program beamed at rural audiences. His success has far exceeded normal expectations. Since its inception in 1947 this program is credited with lowering the illiteracy rate in rural Colombia from approximately 70 percent to 50 percent and at present has an enrollment of some 700,000 students at the elementary level. Its success has become so widespread that similar projects have been promoted in Brazil, Honduras, Mexico, Peru, and Venezuela.

Problems in Teaching of Economics

In both science and education Latin America is confronted with the task of overcoming a shortage of trained personnel. In the teaching of economics the problem is one of concept. Much of the social structure of Latin America inclines in varying degree toward practices in which the state assumes much if not all responsibility for health, education, pensions, worker benefits, social security, and other provisions. But when these statist concepts appear in the teaching of economics, as they do in some universities, the training received by the student does not adequately match the needs of the private-enterprise economy. The economic structure of this entire hemisphere is resoundingly private enterprise, based on open competition, with the maximum possible freedom of management and labor. Of course, the watchful eye of governments can be expected to defend the general welfare. Some economics teaching tries to reconcile statist theory with the practice of private enterprise, and this can only result in some confusion on the part of the student.

There are, of course, many universities that have not adopted this dichotomy and are still interested in modernizing their economics teaching in step with the rapid development of their countries. Such a case is the Catholic University in Chile, which has sent a total of 21 outstanding young Chilean economists to the University of Chicago for studies in economics research for later employment in the newly established Economic Research Center, or, in four cases, appointment as full-time

professors on the faculty of economics. Through this program a new curriculum, new teaching methods, and new selection processes for students have been installed in the faculty of economics. Over 4,000 volumes have been added to the economics library with funds from the overall ICA contract in collaboration with the university.

In Brazil the rapid economic development in recent years has created a demand for managerial talent beyond the available supply. The development of sound business administration through educating and training managers who will be able to improve and expand existing enterprises—and create new ones—is a most important factor in national advancement. The Getulio Vargas Foundation, with help from Michigan State University, trained professors in a long-range plan and now has established South America's first 4-year curriculum in this important field at the School of Business Administration at São Paulo. U.S.-trained Brazilian professors have taken over the conduct of the undergraduate 4-year course as well as the intensive 13-week courses for businessmen. Efforts are now being directed toward establishing training on the graduate level so that Brazil may train its future professors at the master's degree level. This, in turn, has led to the São Paulo school's role as host for the training of grantees in business administration under sponsorship of the Pan American Union.

Agricultural Studies

In the vast field of agricultural studies we have another area of critical significance to Latin America, especially in this nearing era when there will be so many more mouths to feed. Many of the countries that are now importing foodstuffs have farmlands that are inaccessible or not developed to their full productive potential. Argentina, for example, has an immense area the size of Texas that might very well provide food for many other countries as well as Argentina, once her rural economy returns to its former solid footing. In other countries the inadequacy of agricultural methods and techniques and the dependency on a one-crop economy are still obstacles in the course toward a greater output and a more stabilized economy.

To quote from a publication of the Pan American Union: [4]

> Agricultural needs in Latin America cannot be well defined in that there is a wide variety of practices ranging from use of fairly modern techniques to traditional methods several centuries old. The majority of farms in Latin America are of the second type. To achieve the goals necessary for the productivity needed now and in the future, methods must be found to interest these farmers in new techniques, to increase the productivity of the farms, as well as to provide a personal growth toward better housing and better nutrition. However, technical cooperation programs cannot ignore the operator of the large farms. This group of farmers by their very nature will have a more immediate effect on the economies. In other words, any technical cooperation programs in Latin America must be diversified enough to handle these two extremes.

To meet these needs the OAS carries out several farsighted and long-range exchange programs. To cite only one, nearly 4,000 grantees have been trained in a project entitled "Technical Training for the Improvement of Agriculture and Rural Life." The courses include such diverse subjects as agricultural engineering, sociology, forestry, statistical methods, agricultural extension, pastures, soils, and many others.

I do not wish to depart from the topic of agricultural studies without mentioning the long-sustained work of the Rockefeller Foundation in this field. Beginning in 1914, the Rockefeller Foundation has provided extensive grants to Latin Americans, many of them in the field of agriculture. During 1959 this foundation will bring some 500 persons from abroad to the United States to carry on advanced studies and research. In addition to these grants, the foundation has provided funds to nonprofit organizations to coordinate technical assistance activities in Latin America. For 10 years the American International Association has provided special programs on supervised agricultural credit for small farmers in Brazil and Venezuela, with great impact on the development of agriculture in these countries.

So far I have only touched upon some of the problems and a few examples of how educational exchange is helping to solve them. It would be impossible to go into this in great detail, but I hope you will have an idea of the immense effort being put into the fight for the basic necessities of life in our hemisphere.

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[4] *Technical Cooperation in Latin America* (chap. II, topic 15 of the agenda); OEA series E/XI. 1, doc. 13, Nov. 23, 1959.

Training of USIS Librarians

While I am here at Catholic University, I wish to state that this institution deserves high honors for the excellent training of U.S. Information Service librarians, who have come here from Latin America during 1957 and 1958. I am informed that these librarians, who are foreign nationals hired in the host country by our USIS missions, received not only high professional instruction but also personal attention and excellent hospitality, all under the experienced guidance of Father James Kortendick, chairman of the Department of Library Science.

Most Americans will not realize how vital books are in international understanding, but these USIS librarians will tell you that their small collections of Americana, dealing with all phases of our high order of development, are not to be found elsewhere. These many programs in educational exchange dovetail in wondrous fashion at times, as for example when we find that USIS/Mexico within the last year has helped with the translation and publication of 25 U.S. books and pamphlets on education for use in the Mexican Government's teacher-training program. In Brazil, Colombia, and Peru nearly half a million dollars in local currencies are being used for the translation and publication of about 75 university-level books—in such subjects as political science, economics, history, geography, sociology, and others—and several teacher-training texts.

The various book and library projects of our USIS missions overseas are actually only a small part of the broad duties of the cultural affairs officer, the top director of many cultural and educational programs representing the United States. His purview takes in the various book and library programs, cultural presentations such as a visiting U.S. symphony orchestra, exhibits of all types of North American art, various English-teaching programs, and virtually everything to do with our education and culture. This USIS officer, well educated himself, has one of the more rewarding jobs in our Foreign Service.

All in all, more than 10,000 Latin American students will come to the United States to study this year. About the same number of our students will go overseas for foreign studies, but of these only 1,049 are in Latin America. At the same time this country's universities are developing area and language studies of Latin America in increasing numbers. These programs tend to grow by themselves, and the normal contacts of one educational exchange may lead to many others. An example is the case of Dr. Amorosa Lima, who came from the Catholic University of Rio de Janeiro to occupy the chair of Brazilian studies at New York University. His work has promoted interest in the Portuguese language and Brazilian civilization in this country while, through his connections and the Department of State, New York University was able to establish a junior-year program with the University of Bahía. This is one of four such programs that are being carried out in Latin America this year for the first time. The others link Fordham with the Catholic University of Santiago, Chile, the University of Indiana with the University of San Marcos in Lima, Peru, and the University of Kansas with the University of Costa Rica.

My few hours here on your campus bring back many fond recollections to me, not only of the student years but also of my tenure as a university administrator. I hold the opinion that, if youth is presented with some of life's finest opportunities during their campus days, their university professors have an equal opportunity in the process of shaping and guiding their students into the mold and matrix of the future. Perhaps I might leave this message for the youth of the Americas tonight, bearing in mind that 40 percent of the population of Latin America is under 15 years of age: They will learn much about the material things of life—and these are essential—but the total learning process is spiritual as well as educational. Without spiritual growth, learning can be a hollow shell. It is the hope and vision of our hemisphere that education and spiritual growth together might furnish the youth of today with the conviction and knowledge to provide a solid foundation for their actions as mature and responsible citizens.

Africa: A New Situation Requiring New Responses

by James K. Penfield
Deputy Assistant Secretary for African Affairs [1]

During 1960 at least seven countries of Africa will become independent. Among historians this may well be recorded as "the African year."

The independence explosion in Africa presents the world and the United States, as the predominant free-world power, with a new situation. The countries and peoples of Asia and the Middle East that acquired independence in the years following the Second World War had certain characteristics lacking in the African scene. Their ancient social structures provided the basis for effective political organization. In general a high degree of ethnic or linguistic unity existed. Smaller geographic areas were involved, with the exception of India and Indonesia, and even these are dwarfed by the dimensions of only that part of Africa which lies south of the Sahara.

In Africa, by contrast—and this applies particularly to tropical Africa—the social structure has long been atomized into communal tribal units. Such unity as did exist was further fractured by the arbitrary boundaries established to separate European zones of administration. In many areas little ethnic or linguistic unity exists, with even the smaller countries further subdivided by barriers of language and tribal rivalries. Enormous geographic areas are involved. The United States would fit into the African Continent three times over. Great stretches of Africa, otherwise bountiful, have not been developed or exploited by the white man because of the climate and the prevalence of exotic diseases. While the independence movement in Asia and the Middle East evolved over a relatively long period of time, the great majority of African states have acquired their freedom relatively suddenly from 1956 to the present year. Objectively speaking, there has been little time for either the administering powers or the new states to prepare for the tide of nationalism which has engulfed them.

So much for the differences between the contemporary independence movements in Asia and the Middle East, as compared with Africa. There are also important basic similarities. Perhaps the most basic is what may be called "anticolonial nationalism." Complex factors set in motion by the upheavals of the Second World War spelled the end of colonialism and awakened the long dormant spirit of nationalism among peoples from Korea to Ghana. Simultaneously there occurred the rising expectations of peoples everywhere for a greater share of the good things of life which 20th-century technology has brought within reach of the common man. The newly emerging people from Asia to Africa have equally found themselves confronted with a choice of 20th-century forms of government to adopt or adapt to their particular heritage and conditions—on the one hand, a system of private enterprise with a large admixture of state social welfare; on the other, state enterprise, or statism, with varying degrees of freedom for private ownership and enterprise. In those countries of Africa already independent, we see a diversity of political and social patterns emerging. Significantly, I think, no country in Asia, the Middle East, or Africa has of its own choice embraced communism.

African Response to Challenge of Independence

The people of Africa, both those of Arab and Muslim heritage in the north and of black African stock in the south, have exhibited a remarkable

[1] Address made before the 11th annual Bernadotte Institute on International Affairs at Gustavus Adolphus College, St. Peter, Minn., on May 5 (press release 246).

response to the challenges of independence. They have surprised the doubters with their strong sense of responsibility in assuming the burdens of statehood, in general rejecting extremes and establishing governments reasonably responsive to the will of the people. They are exhibiting tremendous energy, willingness to work, and a determination to demonstrate that they are ready for independence. I have just returned from the independence ceremonies in Togo, and I can attest to the enthusiasm and optimism with which the people and leaders of Togo are embarking on their new life.

The Africans are likewise demonstrating a willingness to employ new approaches in meeting their social and political problems and to learn from the experience of others with a long heritage of independence. Some observers are concerned with the degree of experimentation which certain of these countries are undertaking, particularly of a Marxist and Socialist variety. I believe that this might have been predicted, but I also believe that neither the people nor their leaders will, or in fact could, seek ultimately to rely on oppressive forms of government which would completely deny the rights of the individual, nor resume in any other form the political colonialism which they have so recently thrown off. I think it is most heartening that the people of tropical Africa have shown a determination to modify outmoded social patterns like the tribal system, while at the same time they are in general preserving the virtues of this system which give the individual a sense of status and belonging.

Lastly I would note the ability of the African to mature rapidly in both political and economic realms. Largely lacking firsthand experience in such affairs, the new states are using to the fullest the human resources available to them while engaging in an all-out drive to train their people at home and abroad to shoulder unaccustomed responsibilities. Under these conditions it is not surprising that the new leadership of Africa is predominantly a young leadership, relatively lacking in experience but intelligent, enthusiastic, and optimistic.

America's Role in the New Africa

In this new situation the United States is, I think, obviously called upon to exhibit flexibility, imagination, and sympathetic understanding to adapt its existing patterns of assistance and international relationships to take into account the unique features of the African situation. As a people and a government, we have played, and are playing, an important part in African developments. We are the repository of political ideals of government "of the people, by the people, for the people." The history of our own independence and the political philosophy which the founders of America evolved have been, and continue to be, of tremendous influence on African leaders busy developing their own forms of government. As the world's materially best endowed nation confronting an Africa largely living at the subsistence level, we are by tradition, and by our own self-interest, committed to share some of this well-being and the techniques which made it possible. By so doing we can help make democracy meaningful and fitted to the needs of millions who wish to cast their lot with the free world. Lastly, by reason of our defense potential we are the leaders of the free world and our responsibility and concern for the healthy growth of free societies, free of outside aggression, cannot be shirked.

U.S. Approach Consonant With Needs of Africa

It is basic to the sound conduct of international relations that each country, while projecting and advancing its own fundamental interests and those of its citizens, must seek to understand and accommodate itself to the interests of the other nations of the world family. Where good will is present, a fruitful relationship is the natural result. In our relations with Africa our basic interests coincide significantly and much good will exists. We seek to strengthen individual liberty and to maintain the right of self-determination for all peoples as the fundamentally just and practical approach to a peaceful world. The new African nations share our basic aim to strengthen these rights.

Because most African nations have so recently won freedom from the European colonial powers, there does remain a lingering suspicion of their former colonizers, even though most of them are cooperating in the application of self-determination and in investing millions in African economic development. Prime Minister Kwame Nkrumah of Ghana, for example, has recently spoken of bilateral agreements between former metropolitan powers and African states as "disguised colonial-

ism." This approach seems odd to the American taxpayer, who feels that all such channels of assistance should be kept open and certainly least of all blocked by the recipient nation. Furthermore, the American taxpayer wants to see aid dollars bring maximum benefits to the recipients and feels that bilateral arrangements are often the most effective way of achieving this result without in any way infringing on the sovereignty of an independent recipient country. However, when we reflect on the anticolonial character of African national feeling and the revolutionary character of our own national beginnings, we can understand the African will often prefer multilateral channels of assistance such as the United Nations and its specialized agencies. There do, in fact, appear to be opportunities to accommodate our current assistance procedures to the African preference for multilateral programs.

While we desire to continue bilateral aid worked out in full cooperation with the African nations, the United States has a clear record of support for the multilateral approach to aid to developing areas accomplished through the United Nations technical assistance programs and through the specialized agencies. We are the largest contributor of funds to the various specialized agencies. We furnish voluntarily about 40 percent of the total funds available to the Expanded Technical Assistance Program and to the United Nations Special Fund. Our large share in the budgets of these organizations is a concrete demonstration of our confidence in multilateral programs. Furthermore, we emphasize this confidence by our agreement to maintain this percentage as other countries increase their contributions, committing us to increase our total contribution as others increase theirs. It is our hope that more opportunities will arise for these agencies to contribute to African developmental requirements.

African Requirements

The size of the developmental task is readily outlined. In a continent more than three times the size of the United States with a population of more than 220 million, the average per capita gross national product in 1957 ranged from a high of $191 in Morocco to a low of $31 in Somalia. The comparable figure for the United States is $2,450. It is therefore often hard for us to appreciate the meaning of the phrase "subsistence-level existence," which describes the life of most Africans. In terms of the daily life of the Somali nomad this means a few handfuls of grain for food and a never-ending trek from waterhole to waterhole with his family and cattle. For the Ethiopian farmer it means poor housing and a meager crop after arduous labor with crude implements. To the lowest Rhodesian copper miner it means a wage of $30 per month, or to the workers in trade and industry in Tunisia it means a standard wage of 17 cents an hour.

Except for the extractive industries, industrial and commercial activity is for the most part rudimentary. Transportation facilities are sparse; major portions of the continent are isolated from participation in trade and the benefit of economic progress. In all of Africa there are estimated to be only 735,000 miles of roads compared to 3 million miles in the United States.

The climate of large areas supplies either excessive rainfall or none at all. Much of the soil is deficient in mineral and chemical nutrients. The consequent protein and vitamin shortages in human diets result in reduced resistance to endemic diseases such as malaria, sleeping sickness, bilharziasis, yaws, and leprosy, while others take their toll of domestic animals.

To overcome these great problems there are so few Africans trained in the scientific exploitation of known resources that real economic advance is not likely in the foreseeable future without outside help. Illiteracy in some African countries is high, in certain areas over 90 percent. The number of children in school is in many places but a fraction of the total school-age population. Even in the most advanced territories the number of Africans with technical and managerial competence is far short of the essential minimum.

In spite of the enormous tasks, African political developments are proceeding at an accelerated pace with at least seven territories achieving independence in 1960 alone. After political independence economic development becomes the most urgent job of the national leaders. They are called upon to respond to the rising material expectations of their people or to face rejection as political leaders with the likelihood that the leaders replacing them may not be as moderate in their methods. For this reason and because of the remarkable natural talents which the Africans bring to the task they have set themselves, we are challenged to respond adequately with the needed outside help.

But acceptable progress cannot be made until some means is found to provide the necessary technical and managerial skills. In newly independent areas trained people are lacking to replace the civil servants of the former administering power, many of whom withdraw upon independence. Lacking also are the highly trained people needed to run the institutions of planning and development which must assume responsibility for the ambitious tasks set by the Africans. In the long run, of course, Africans will be trained to do the job, but in the meantime additional technicians have to be found to replace those departing or supplement those remaining.

Of equal significance is the supply of investment capital. Large sums are necessary for nonprofitmaking but essential facilities, such as ports, highways, communications networks, flood control, and irrigation structures, and for productive and profitmaking projects and services, such as processing of agricultural products, extraction and reduction of minerals, and expansion of manufacturing industries.

U.S. Response to Requirements of Africa

Now let us consider how the United States has been able to respond to the situation which is presented by the needs of the newly independent African nations. Under our mutual security legislation we now operate programs in 13 African nations and territories. By June 30, 1960, we will have about 780 American technicians in all of Africa, and we expect this number to increase to about 1,000 in the coming year. By June 30th, training programs also will have been arranged for over 800 Africans, and we expect an increase to about 1,000 in the next year. However, because economic projects are not planned overnight, particularly in areas where resources are still under exploration, our programs in Africa are not yet as substantial as they should be. Basic scientific knowledge is still lacking about large areas of the continent, and extensive studies will be required before sound decisions to invest are made.

Existing U.S. Government programs do, however, supply useful illustrations of some of the ways we can meet the requirements of technical and managerial skills. In Ethiopia our technical cooperation program has helped establish a broad base of educational institutions and training programs so essential to that country's future development. The Imperial Ethiopian Agricultural and Mechanical College, aided by teachers from Oklahoma State University, the Haile Selassie I Public Health Center at Gondar, where our technicians cooperate with those of the World Health Organization, the United Nations Children's Fund, and the Ethiopian Health Ministry, have already made important contributions to the training and health of Ethiopia's people. In Tunisia U.S. technical assistance has helped establish agricultural schools which are training farmers, more than 400 of whom have now returned to their farms. In Libya the development of rural action committees for self-help projects is the direct result of ideas generated by our technicians working in agricultural extension, sanitation, and community development projects. In Ghana the Parliament has passed a resolution praising our assistance in agriculture and expressing appreciation for our aid. These programs provide Americans who can train Africans in the skills they need.

Because of the sudden political emergence of so much of Africa and the enormity of the task of development, we are recommending a new approach during the coming fiscal year to technical cooperation with tropical Africa. That is a $20 million education fund which is intended to supplement more traditional projects. Aimed directly at the crucial lack of trained personnel, this program is designed to concentrate on key educational and training problems and to include professional training for civil servants, entrepreneurs, and technicians as well as special training through agricultural extension services, community development, and public-health programs. The special program is intended to support multicountry planning in response to regional problems like the tsetse fly, which closes large parts of the continent to livestock development. Other possible regional activities might involve support for various African schools and colleges with programs serving regional needs for educational research, for an educational materials and documentation center, or for a regional English-language training program.

At the same time that we are pursuing these aims through bilateral arrangements, we will, of course, continue as one of the major contributors to the United Nations programs. We should tally here the truly significant work carried out under

these programs. Secretary-General Hammarskjold said upon his return from his recent visit to 24 African territories:

> On the continent of Africa there is the problem of personnel. There is the problem of money. There is the problem of education, and there is the problem of, let us say, moral support in the reshaping and shaping of a nation.

As you can readily see, the Secretary-General's assessment of the African scene is similar to our own. The United Nations, following a line of action similar to ours in responding to these needs, maintained in Africa, in 1959, 600 technical experts and provided fellowships for study abroad to well over 400 Africans. An experimental program, called OPEX, to supply experienced operational and executive personnel to serve as government officials upon request promises a direct response in a sensitive area to critical government personnel needs.

The specialized agencies are also doing increasingly important work in Africa. Among them, the World Health Organization, the United Nations Educational, Scientific and Cultural Organization, the International Labor Organization, and the Food and Agriculture Organization are making their contributions in the form of technical assistance.

U.S. Response to Needs for Investment Capital

In addition to the problems of acquiring technical and managerial personnel for African development, as Secretary-General Hammarskjold said, "There is the problem of money." Here the natural approach of Western democracies is first of all through private investment channels. But conditions must be attractive, offering political stability, reasonable opportunity to repatriate profits, and freedom from the threat of nationalization. Because of the predominance of private enterprise systems in capital-exporting countries, it would appear to be in the interest of African governments to recognize the pluralistic character of democratic nations, where governments in times of peace have no power to marshal private resources for foreign aid. The African nations themselves, as responsible members of the family of nations, are accommodating to this basic situation in other democratic countries.

Early in the era of independence it is more difficult for new governments to attract the necessary amounts of capital through private channels. The very fact of their recent independence suggests the need for an interval to assess a new government's attitude toward private investment.

In this situation it is in keeping with our desire to strengthen the independence of these new nations for our Government to contribute to stability. Certainly it is not a normal function of private investors to finance the equipment and training of a police force nor to make a currency-stabilization loan. Likewise, few would consider providing the teachers required to establish a technical school or the doctors to staff a hospital. These fields of activity are the ones to which government should be prepared to address itself in order to help create the conditions of stability which attract private capital.

There is one additional contribution which governments are called upon to make. This results from the classic chicken-and-egg situation. I refer to the stability which results from a satisfactory economic situation which, in turn, is essential if private investment is to be attracted. To achieve this stability a first round of investments must somehow be initiated. One institution which can be helpful in this situation is our Export-Import Bank, originally created to facilitate the overseas transactions of U.S. private enterprise. Today it is serving economic development as well by financing exports, including those directly related to expansion of productive capacities in underdeveloped areas. Because other free-world sources of financing, including the International Bank for Reconstruction and Development, have limitations on their activities, the Development Loan Fund was created under our mutual security legislation. It is intended to provide a flexible source of funds for sound economic development projects which do not fall within the scope of other lending agencies. Export-Import Bank loans for transactions with Africa have amounted to $240,164,260. Those of the Development Loan Fund have amounted to $64,090,000 since its founding only 3 years ago. Activities of the Development Loan Fund vary from support for the establishment of a paper-pulp mill in Tunisia to a guaranty of small-business loans by the branch of an American bank in Liberia or the construction of a warehouse in the port of Lagos, Nigeria.

Free-World Response to Africa's Needs

I think it is clear that it is in our national interest that the free world's responses to the needs of the new Africa be positive, timely, and effective. If they are not, we can be sure that these newly independent countries will turn elsewhere and that they will not turn in vain. We already have evidence of the interest and ability of the Communist bloc to provide technical aid and assistance to countries of their choice in Africa. We realize, of course, that such assistance has for its ultimate objective the advancement of the worldwide political objectives of the Communist system. Moreover, it is clear from, for instance, the history of U.S.S.R.-Yugoslav relations in recent years that Soviet aid is turned on and off solely to facilitate current Russian political objectives. But countries lacking almost all the paraphernalia of modern economic and social life cannot be expected to give full weight to these considerations. Indeed, African leaders with whom we have close and friendly relations have indicated clearly that their situation requires that they accept assistance from the materially developed and technically advanced countries of the world without regard to the ideologies of their governments. The President of Guinea, when he was in the United States last fall,[2] stated that for Africans the world was not divided into the Communist or non-Communist, the free or the unfree, but into the developed and the undeveloped. In their approach to international politics many of the new African countries incline to a policy of "positive neutrality," by which they mean that they want to stand aloof from what they regard as great-power rivalries and concentrate on their own overwhelming problems, the consolidation of their political and economic independence.

To us these attitudes may appear shortsighted, but when we try to look at the world through their eyes, we can see how they arrive at their conclusions and appreciate that they are not based on procommunism or anti-Americanism. This is a situation, I should like to emphasize, which we welcome, because we are as opposed as are the Africans to making their continent a pawn in the so-called cold war. Our motives and our objectives in responding to the drive of the African people to establish stable, viable, and free societies are positive, not negative. We do not wish to engage in a superficial popularity contest or merely react to Communist initiative, and assistance predicated on such motives would be distasteful to Africans as well.

We are prepared, in cooperation with our free-world colleagues and the United Nations, to develop balanced and adequate programs of economic, technical, and cultural aid designed to meet realistic African needs over the long pull. In this effort the European powers concerned will, we expect, continue to play a major role. It is our hope that these powers will maintain close and cordial relations with those territories which have already acquired, or will soon acquire, independence. In this connection it is important to note that tropical Africa alone is now receiving over $500 million annually from European countries for major development projects. Assuredly there will continue to be a great need for European capital, technical assistance, and markets. The aid which the United States is able to furnish should supplement and not replace that of Western Europe.

I should like to close on an optimistic note. The countries of Africa which are acquiring independence this year have done so, in general, on the basis of peaceful evolution, consultation, and negotiation with the governing powers, as well as through the good offices of the United Nations in the case of trust territories. As a result there is an important residue of good will on which to build new, imaginative, and peaceful relations. The United States and the American people, in particular, have a history of friendship with Africa. The dramatic developments now taking place on that continent will test the bonds of this friendship and, I feel sure, tie them more firmly. I feel equally sure that the new Africa will respond maturely and positively to our initiatives.

[2] BULLETIN of Nov. 16, 1959, p. 719.

The Mutual Security Program for Fiscal Year 1961

Statement by Acting Secretary Dillon [1]

It is a privilege to appear before you today in support of the President's request for appropriation of funds for the Mutual Security Program.[2]

As you know, the President asked appropriation of $4,175,000,000 for the program for fiscal year 1961. As a result of the recommendations of the conference committee on the authorization bill, this amount has been reduced to $4,086,000,000. We are, therefore, now requesting that amount. Of this sum, $2,000,000,000 is needed for military assistance; $700,000,000 for the Development Loan Fund; $1,236,000,000 for economic and technical assistance; and $150,000,000 for the contingency fund. Detailed testimony on each will be presented to you by subsequent witnesses.

At this highly dangerous point in history the world scene is dominated by two great groups of powers, each devoted to widely divergent ideologies which are in clear conflict.

One, the Communist bloc, believes that the triumph of its ideology of state control of man's destiny must and should be speeded by any and all possible means.

For our part, we believe in the right of man to choose his way and are prepared to defend and protect that right.

To prevent this confrontation from exploding into global war, it is essential to explore, with infinite patience and persistence, every opportunity to find ways and means for living with each other in this world, with the sacrifice of neither peace nor freedom. Such an opportunity is afforded by the impending summit meeting.

The opportunity for such discussions—the fact that we are able to talk over problems, however uncertain the prospects for progress—does not exist solely because we prefer it that way. It exists because we have made it clear, in word and deed, that the forceful expansion of the Communist empire, the imposition of its control on other peoples, is intolerable and would meet with determined and effective response. We have made this plain through our own strong defenses, by our entry and participation in joint and collective defense arrangements, and by our mutual security programs to provide arms and equipment for the men of other nations who stand ready with us to defend free-world ideals. Our policies and programs are concrete evidence, to both our friends and our enemies, of our determination and capability. It is because of them that the opportunity to seek peaceful settlements still exists. Without them what barrier to Communist expansion and our ultimate subjection would exist?

Economic Aid to Developing Nations

There is another and equally important barrier we have erected to Communist dreams of world domination: our economic assistance programs to millions of people in the free world who have but recently begun to emerge from centuries of oppression or neglect. To them, escape from poverty and privation has become a primary goal which can and must be attained. Their principal aim in life today is material improvement. If progress does not come under free institutions,

[1] Made before the Senate Appropriations Committee on May 13 (press release 264).

[2] For text of the President's message to Congress of Feb. 16, see BULLETIN of Mar. 7, 1960, p. 369; for an excerpt from a special message of May 3, see *ibid.*, May 23, 1960, p. 837.

progress will be sought through other means. Communism is eagerly offering them such a means.

We can be certain that Soviet leaders will seize all possible opportunities to penetrate and subvert the free world, particularly its newly developing sector. They fully intend to move forward under the guise of what they call "peaceful coexistence." We have their word for it. The true meaning of "peaceful coexistence" was recently spelled out with surprising candor by a high Soviet official,[3] who emphatically denied that "peaceful coexistence" means noninterference in the internal affairs of other states. On May 1st *Pravda*, the official organ of the Communist Party of the U.S.S.R., quoted this official as saying, in typical Communist language:

> Recently, some people in the West have been trying to assert that peaceful coexistence must be broadened to include even the internal political life of the countries of capitalism. . . . But this is an obvious distortion of the basic principles of Marxism-Leninism. . . . Even in conditions of the peaceful coexistence of states on the world scene, the class war in the countries of capitalism will not be extinguished but, on the contrary, will become sharper.

This, in effect, is a directive to the forces of world communism to step up their efforts to undermine independent governments and free institutions. Soviet aid programs in support of these forces in the newly developing countries can be expected to grow.

In the face of this clear Communist intent, we must continue our own efforts to help promote political, social, and economic growth in the newly developing lands within a framework of freedom. Our past and present mutual security programs have proved their worth in helping to meet the long-deferred and wholly legitimate demands of millions of human beings for an existence which is compatible with the dignity of man. Their continuation at adequate levels is dictated by plain common sense.

Outline of Major Requests

I would like to outline briefly the need for the major requests before you:

First, the $2 billion sought for military assistance is urgently required if the level of deliveries of equipment of the past several years is not to be sharply reduced. Appropriations of much larger amounts many years ago made it possible to maintain an annual level of over $2 billion despite smaller recent appropriations. These reduced appropriations—and particularly the very severe cut in the amount requested last year—have eliminated the possibility of future reliance on the pipeline. They have, in fact, necessitated a substantial reduction in equipment and materiel supplied to our allies this year.

Provision of $2 billion will make it possible to maintain the fighting forces of our allies and to share with them in the costs of essential modernization with new weapons. This sum represents a judgment of the minimum necessary for our security. It was reached after the most careful consideration by a committee of experts outside government and by our military authorities. It takes fully into account the increasing capability of some of our allies to meet a greater share of the common defense burden. Without this amount, we will face the prospect of a progressive weakening of our common defense, which may be interpreted by both our friends and our enemies as a lessening of our will to withstand the pressures of aggression.

The Joint Chiefs of Staff have gone on record that provision of these funds equals in importance those provided for our own defense forces. I tell you in all sincerity that all of these funds are necessary if we are to have adequate defenses. Certainly the very moment when the Soviet leaders are once again threatening our allies with rocket attacks is no time for us to tell these allies that the United States no longer has the will to provide the assistance they need for the common defense against Communist aggression.

The amount sought for the Development Loan Fund is less than the available authorization. It is in our judgment the minimum required for a reasonable rate of progress in the emerging nations of the world. The Fund is now a going concern. Its procedures and organization are smoothly in gear. It is functioning effectively. The capital requested is modest. Although we recognize the growing capacity and willingness of other industrialized nations to share in the work of helping the less fortunate nations, we must continue to provide leadership in this great task. As the President said recently:[4] "The very moment when

[3] B. Ponamarev, who directs the Central Committee apparatus dealing with foreign Communist parties.

[4] BULLETIN of May 23, 1960, p. 811.

other countries are recognizing their responsibilities is no time for us to walk away from our own."

For the balance of the program—economic and technical assistance, other programs, and the contingency fund—we are also asking minimal appropriations:

For defense support we are asking $20 million less than was appropriated last year—reflecting a modest improvement in the economies of some recipient countries.

For special assistance we are asking $11 million more than was appropriated last year, in response to the needs of newly emerging sub-Sahara Africa.

For technical cooperation we are asking an increase of just over $25 million, largely concentrated in Africa.

For various multilateral and other programs—such as aid to refugees and escapees, atoms for peace, and administrative expenses—we are asking slightly less than $99 million of new appropriations, or approximately last year's level.

For the contingency fund we are asking $150 million, which compares with an appropriation of $155 million last year. This fund has been one of the most useful and essential elements of the Mutual Security Program. It supplies that margin of flexibility which is so essential to effective administration of the program. It is primarily needed and has been primarily used to deal with newly developing and unforeseen situations which arise during the course of the fiscal year. It also enables the President to provide assistance in amounts larger than those specifically appropriated by the Congress for various categories of aid when, in his judgment, such action will serve the purposes of the legislation and is important to the security of the United States.

All of these programs of economic and technical assistance have been as tightly budgeted as we believed possible, and the appropriation of the full amounts requested is necessary.

In sum, gentlemen, we need the money requested to do the job and to carry out the programs authorized by the Congress. We also need—and the world needs—a reaffirmation of the readiness and determination of the United States to meet its responsibilities and to defend and protect its way of life. Such reaffirmation can best be provided by the unmistakable act of appropriation.

Thank you.

President Signs Mutual Security Authorization Bill

Statement by President Eisenhower[1]

I have signed into law the Mutual Security Act of 1960.

I am highly gratified by the action of the Congress on this measure. The act embodies essentially all of the requests I have put forward as necessary for the successful continuation of the Mutual Security Program, and, with one regrettable exception,[2] the Congress has resisted the addition of amendments which would adversely affect our foreign relations or impair the administration of the program.

I believe it is impressive that, after extensive and searching hearings on the bill conducted by the authorizing committees of both Houses, the Congress concluded that substantially all of the funds requested are necessary for carrying forward important economic aspects of the program. The same high degree of responsibility and regard for our national interests will, I trust, result in not only the full sums now authorized for certain economic programs but also in the full appropriations which I have requested as necessary to provide for the Development Loan Fund and the military assistance program.

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[1] Made on May 14 (White House press release dated May 16) upon the signing of H.R. 11510, a bill to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

[2] For text of a letter of May 2 from Acting Secretary Dillon to Senator J. W. Fulbright on the freedom-of-navigation amendment, see BULLETIN of May 23, 1960, p. 832.

Sino-Soviet Bloc Trade and Its Implications for the United States

Statement by Thomas C. Mann
Assistant Secretary for Economic Affairs[1]

United States policies on trade with the countries of the Sino-Soviet bloc fall in a special category for the purposes of this committee's examination of United States foreign trade, and I am glad to have an opportunity to discuss these policies with this committee.

First, there is the question of trade with Communist China. The United States Government has maintained a virtually complete embargo on trade and financial transactions with Communist China and north Korea since 1950. This trade embargo is an integral part of the general United States policy of nonrecognition of Communist China.

Our trade policy with that area is both substantive and symbolic of the firmness of United States purposes in the Far East. It is designed to hinder as much as possible the rapid buildup of Communist China's military power and its industrial base and, in a broader political sense, to limit the expansion of its influence with free-world countries.

Any relaxation in the United States trade embargo would be widely regarded throughout the world as evidence of a fundamental change in the United States attitude toward Communist China and as a harbinger of a possible political accommodation. In countries friendly to the United States, pressures would be unleashed to seek a similar accommodation with Peiping. This would tend to set in motion political and economic changes all tending to weaken our influence while strengthening that of Peiping and opening the way to Communist Chinese penetration into the vulnerable, less developed areas, particularly of the Far East.

The policy on trade with the European Soviet bloc is more flexible because it does not involve the same political imperatives which affect our relations with Communist China. However, the United States does have certain necessary restrictions on its trade relations with the European Soviet bloc. These restrictions do not constitute a significant burden on the potential total volume of United States–Soviet-bloc trade. The President has made it clear that the United States favors the expansion of peaceful trade with the Soviet Union and other countries of the European Soviet bloc.

The United States stands ready to sell a wide range of nonstrategic commodities to the European Soviet-bloc countries at any time that they wish to buy them and are in a position to pay for them. The only limitations imposed on exports are limitations required for purposes of national security. The United States strategic export controls are intended to prevent the Soviet bloc from acquiring materials and technology which would contribute significantly to their military potential.

As the committee is undoubtedly aware, the security export controls exercised by the United States Government are generally paralleled by the controls of other important trading countries of the world either through the operations of the multilateral Coordinating Committee (COCOM) or through administration of the provisions of the Mutual Defense Assistance Control Act of 1951 (Battle Act). The controls on direct exports of strategic commodities to the Soviet bloc are sup-

[1] Made before the Senate Interstate and Foreign Commerce Committee on May 5 (press release 244).

plemented by financial and transshipment controls designed to prevent unauthorized diversions from free-world destinations to the Soviet bloc.

The principal legislative or administrative restrictions of a nonsecurity character are the provisions of the Trade Agreements Extension Act of 1951 and the Johnson Act of 1934. Under the former act, section 5 requires the withdrawal of trade-agreement benefits from the U.S.S.R. and other Soviet-bloc countries and thus prevents the application of most-favored-nation tariff treatment to imports from those areas. Section 11 of the Trade Agreements Extension Act explicitly prohibits the importation of certain dressed and undressed furs and fur skins from the Soviet Union and Communist China.

The Johnson Act has the effect of preventing private credits other than normal short-term (180 days) commercial credits to countries which are in default on debts to the United States Government and are not members of the International Bank for Reconstruction and Development and the International Monetary Fund. The Soviet Union and certain other countries of the European Soviet bloc are affected by this law.

In addition, a Treasury finding was made in 1951 that Soviet canned crabmeat was produced by convict, forced, and indentured labor; accordingly, in conformity with the mandatory provisions of section 307 of the Tariff Act of 1930, imports of Soviet canned crabmeat are prohibited from entry into the United States. The administration is of course alert to the possible applicability of the antidumping provisions administered by the Treasury Department.

U.S. Would Welcome East-West Trade

So much for the limitations by the United States on trade with the countries of the Sino-Soviet bloc. I pointed out earlier that such trade controls do not constitute a significant obstacle to the expansion of the general level of trade between this country and the bloc. The United States would welcome a higher level of East-West trade. The low level of such trade is, in our view, the result of conscious policy on the part of the Soviet Union and its European satellites. They confine their import interest to a narrow range of capital goods and technology and agricultural or industrial raw materials for which there may be a temporary import requirement.

United States exports to Eastern Europe, including the Soviet Union, have increased from $11.2 million in 1956 to $112.6 million in 1958 and $90 million in 1959. In the latter 2 years United States exports to Poland represent the largest portion, reflecting exports financed out of credit and agricultural sales agreements with Poland. They also reflect the more liberal export policy applied to Poland, which permits exports of commodities essential to the Polish civilian economy.

United States exports to the Soviet Union and other Eastern European countries for the fourth quarter of 1959 were valued at $20.5 million, representing only 0.4 percent of total United States exports, whereas imports from the same Eastern European countries were valued at $18.2 million, representing only 0.5 percent of total United States imports.

From a purely economic standpoint, the true limitation on the magnitude of United States exports to Eastern Europe is the ability of these countries to earn dollars through exports to the United States or to other hard-currency markets. The demand in American markets for commodities of Eastern European origin or manufacture appears to be somewhat limited. A more active policy of sales promotion by these countries in the American market would probably increase somewhat the general level of trade, but the increase could not be expected to be large.

The economic and political implications of the continued expansion of the trade of the Soviet Union with free-world countries can most clearly be seen if we consider them under four headings. I suggest that we look at the relationship of this trade to Soviet internal economic development, to Soviet relations with the industrialized countries of Western Europe and with Japan, to Soviet relations with the newly developing countries, and to American exports to third countries.

Foreign Trade and the Soviet Economy

Let us turn first to the role of foreign trade with respect to the Soviet economy itself. Probably the most important gain the Soviet Union can make from its trading relations with countries outside the bloc is the acquisition of advanced machinery and technology. It is sometimes believed that, since the Soviet Union can send a rocket to the moon, it must be technologically at least as advanced as Western countries. In fact, however,

Soviet development has been most uneven; its impressive achievements have been attained at the cost of the neglect of other areas of development. Soviet backwardness is most evident in the fields which serve consumers. Certain fields of basic industry have been developed rapidly; other areas have been left almost untouched. What may be of even greater importance is the fact that, although some processes in those fields in which great progress has been made may be technically on a par with those in the West, other processes are still carried on in primitive ways. Thus, for example, while the best Soviet iron and steel installations achieve more impressive results in some respects than Western mills, many auxiliary operations are carried on with very little or no mechanization.

The process of Soviet economic development has been, by and large, one of reproducing the industrial structure of Western countries and not that of finding new materials and production techniques of a sort appropriate to "socialism." And this is true despite Soviet claims of doing the latter.

After the Soviet Union has learned from the West what path it should follow in its economic development, it can still gain a very great deal by trading with the West. It would undoubtedly be possible, for example, for the Soviet Union in time to reproduce recent Western advances in plastics and synthetic-fiber technology. Basic laboratory processes are either well known or can be learned without undue difficulty. But there is a tremendous job of engineering which must be done before laboratory processes can be adapted to the industrial production of plastics and synthetic fibers. Since time is of the essence in a "race with capitalism," it is greatly to the advantage of the Soviets if they can buy advanced technology in this as in other fields.

Another important function which extra bloc trade has for the internal economic development of the Soviet Union is to make up for errors or shortfalls in planning. Some finished or semi-finished industrial products either turn out to be in short supply or are overlooked in the physical output planning of the Soviet Union. In many cases it is both faster and more convenient to fill these gaps through imports than by producing them.

As examples of the technological type of assistance gained through trade by the Soviet economy, we may note that in its trade agreements for 1960 the U.S.S.R. has provided for imports of synthetic plants, tire-cord plants, petrochemical plants, coal mining and sorting machinery, a high- and a low-pressure polyethylene plant, a polypropylene plant, automation machines, electric calculators, and similar sophisticated production goods. As examples of Soviet imports to fill in gaps in domestic production, we may note Soviet purchases of large-diameter steel pipe, deep-drawing steel sheets, and special rolled steel shapes.

We should note that the Soviet system of foreign trade, based on a complete state monopoly, enables the U.S.S.R. to purchase items it needs without developing the sort of long-term, stable relationship of interdependence which characterizes international trade among the industrialized nations of the free world. The fact that foreign trade is conducted by organs of the Soviet Government means that the political power of the Soviet Union is a factor in what would otherwise be normal commercial relations; similarly, the Government of the U.S.S.R. is able to use its commercial dealings for various political purposes.

Soviet Relations With Industrialized Countries

Let us now consider Soviet economic relations with the industrialized countries of Western Europe and Japan. The Soviet Union is able to work toward a major political objective—the splintering of the cohesion of the principal industrial countries—by playing on commercial rivalries. It can make attractive offers to one country of the group, which tempt that country to violate its obligations under COCOM. It can also set businessmen at odds with their governments, and in general it can sharpen commercial rivalries for its own political benefit.

The Soviet Union would have others believe that it seeks to expand trading relations in order to foster good political relations. It manages to achieve a linking of the profit motive with the natural desire of reasonable men for a relaxation of tensions.

I do not wish to suggest that all Soviet trade with the industrialized countries is wholly governed by the considerations I have mentioned. There is a natural complementarism between the Soviet economy and the economies of Western Europe. But it should be noted that not only are price considerations relatively unimportant in

Soviet foreign trade but the wishes and preferences of Soviet consumers receive no serious consideration. Furthermore, as a large bulk trader the Soviet Union has sometimes shown itself at least an inconsiderate supplier. There seems to be no conclusive evidence that the Soviet Union has as yet followed a deliberate policy of dumping in the usual sense, but its operations have on occasion proved unsettling to normal trade relationships.

Relations With Less Developed Countries

My third point relates to Soviet-bloc trade relations with the less developed countries. Until the latter half of the 1950's the Soviet Union showed little interest in developing trade relations with the newly emerging countries. Even such import essentials as rubber were bought not directly from the producing countries but on the London market. Beginning in 1954, however, the U.S.S.R. began to expand its trade relations with the newly developing countries, combining this trade offensive with extensive offers of "aid." The trade-aid offensive is, in fact, a carefully integrated whole. Soviet aid has with few exceptions taken the form of long-term credits, repayable essentially in raw materials produced by these countries. Its exports of manufactured goods to them, similarly, have normally been possible only as a part of these bilateral transactions.

The Soviet Union has on occasion appeared on the markets of the newly developing countries as an unexpected rescuer, a "buyer of last resort." It has more often professed its willingness to purchase otherwise unsalable surpluses of raw materials. Its complete control of its foreign trade activities gives the Soviet Government much greater freedom in contracting for these surpluses than is enjoyed by free-enterprise economies. Moreover, the very fact that until 1954 the U.S.S.R. had withdrawn from world trade to a very large extent gave its offers the added impact of novelty and unexpectedness.

Because it can open, break off, and shift its trade relations without regard to any interests other than its own, the Soviet Union is often able to make greater political use of its trade potential than is possible for countries for which trading is a private activity. It has found a way to make the flag follow trade as a means for establishing its presence in areas with which it has not previously had trade relations. The Soviet Union has found trade agreements and trade missions extremely useful tools for establishing its political influence.

Because it can direct its trade as it wishes, the Soviet Union has been able to concentrate the main impact of its trade offensive on a relatively small number of countries. Its total trade with the free world is only a small percentage of overall free-world trade, but its share of the foreign trade of such sensitive countries as Guinea, Afghanistan, Egypt, and Iceland is proportionately quite large. The political effectiveness of Soviet trade is, therefore, by no means measurable in terms of its percentage share in total free-world trade.

Competition on Exports to Third Countries

Now I turn to the question of Soviet competition with American exports in third countries. The Sino-Soviet bloc is not a major competitor of the United States in world markets, and it is hardly capable of displacing the United States in all markets. Nevertheless, in any area in which it wishes to concentrate its efforts the Soviet Union can offer competition with American exports. We have already seen that, as a supplier of raw materials to the industrialized countries, the Soviet Union can add to its geographical proximity and to its natural advantages a complete independence of the kind of cost-and-price considerations which motivate private traders. It has, for example, been willing to offer oil at a price quoted at 25 cents a barrel below Persian Gulf posted prices. In general, it can quote prices without regard to domestic costs. Specific exchanges of this kind are not even, in the special situation of the Soviet Union, necessarily uneconomic. The goods it acquires in exchange for its exports may be and as a rule are of crucial importance to the Soviet planners. The goods which it sells are those with which it can most easily dispense, and there is no governing price relationship between these two categories of goods for the simple reason that there is no internal market in the Soviet Union to regulate the distribution of goods or the cost of labor.

It would be hazardous in the extreme to make any quantitative predictions of the further expansion of Soviet trade. The industrialized countries are eager to expand their exports, and in order to export they are willing to import. The underdeveloped countries must expand their export earnings, and some of them may consider that

ıde relations with "both camps" are a harmless ;n of newly won independence.

Accordingly it seems most likely that the Soviet ıion will continue to be able to equip itself with e latest achievements of Western inventive abil- and engineering skill at a price which it can sily afford to pay. It may well be able to estab- h and expand trading relationships with the wly developing countries and thereby improve prospects of extending its political influence er them.

Although the potential expansion of Sino-So- t bloc trade competition raises the problems I ve mentioned—including particularly that of mpetition in the limited areas upon which the viet Union chooses to concentrate—there are rtain factors which should serve to render these oblems manageable for the United States. We ve a dynamic and expanding economy oriented production for free markets. We have unparal- ed research facilities specifically directed to the velopment of new products for the satisfaction human wants. We are used to the principle of mpetition, and we know how to sell competitively road as well as at home. We are participating, rough our trade agreements program, in a broad ıltilateral effort to lower trade barriers and to ster the expansion of world trade. We have an ablished network of trading relations and a good putation as a valued customer and a reliable sup- ier of quality products. The Sino-Soviet bloc s none of these advantages.

Furthermore, our trade, aid, and mutual security licies are parts of a whole. Together they en- le other free countries, which might not other- se have the strength to do so, to resist Sino- viet bloc attempts to undermine their inde- ndence by exerting political pressure, by prof- ring investment and technical assistance, by ering to trade on noncommercial terms, or by a mbination of these methods. Our mutual se- rity, aid, and trade policies, adapted as appro- iate to meet the requirements of specific situa- ns, give us room for optimism that Sino-Soviet c capabilities in the field of trade need not pose unanswerable challenge to the United States. By keeping its markets open to others, by assisting less developed countries to diversify their exports and to accelerate their economic development, and by joining with other free-world countries to reduce trade barriers throughout the free world, the United States can increase the ability of all free-world countries to maintain their economic and political freedom and independence.

Congressional Documents Relating to Foreign Policy

86th Congress, 2d Session

Extension of Mexican Farm Labor Program. Hearings before the Subcommittee on Equipment, Supplies, and Manpower of the House Committee on Agriculture on H.R. 9869, H.R. 9871, H.R. 9875, H.R. 10093, H.R. 10601, H.R. 11211, H.R. 11225, H.R. 11239, H.R. 11291, H.R. 11296, H.R. 11312, H.R. 11313, H.R. 11367, H.R. 11373, H.R. 11429, and H.R. 11536. Serial TT. March 22–31, 1960. 429 pp.

Czechoslovakian Claims Fund. Hearing before the Senate Committee on Foreign Relations on S. 3008, a bill to amend title IV of the International Claims Settlement Act of 1949, as amended. April 12, 1960. 84 pp.

Twenty-Third Semiannual Report on Educational Exchange Activities. Letter from the Chairman, U.S. Advisory Commission on Educational Exchange, transmitting the report for the period July 1–December 31, 1959. H. Doc. 379. April 18, 1960. 43 pp.

Legislative Program. Message from the President relative to the legislative program. H. Doc. 385. May 3, 1960. 8 pp.

Agreement With India for Avoidance of Double Taxation With Respect to Taxes on Income. Message from the President transmitting the agreement signed at Washington on November 10, 1959. S. Ex. H. May 6, 1960. 15 pp.

Mutual Security Act of 1960. Conference report to accompany H.R. 11510. H. Rept. 1593. May 6, 1960. 21 pp.

Sale of Vessels to Republic of China. Conference report to accompany H.R. 8042. H. Rept. 1600. May 11, 1960. 2 pp.

Shrimp Conservation Act. Report to accompany S. 2867. S. Rept. 1346. May 12, 1960. 7 pp.

International Development Association Act. Report to accompany S. 3074. S. Rept. 1349. May 13, 1960. 9 pp.

Trading With the Enemy Act. Report of the Senate Judiciary Committee made by its Subcommittee To Examine and Review the Administration of the Trading With the Enemy Act pursuant to S. Res. 56, 86th Congress, 1st session, as extended, together with individual views. S. Rept. 1390. May 18, 1960. 8 pp.

Providing for Adjustments in Annuities Under the Foreign Service Retirement and Disability System. Report to accompany S. 1502. H. Rept. 1626. May 18, 1960. 3 pp.

Calendar of International Conferences and Meetings [1]

Adjourned During May 1960

Meeting of Experts on the Inter-American Telecommunications Network and ITU/CCITT Plan Subcommittee.	México, D.F.	Apr. 19–May
U.N. ECOSOC Statistical Commission: 11th Session	New York	Apr. 20–May
U.N. Economic Commission for Europe: 15th Session	Geneva	Apr. 20–May
ILO Petroleum Committee: 6th Session	Geneva	Apr. 25–May
U.N. ECOSOC Commission on Narcotic Drugs: 15th Session	Geneva	Apr. 25–May
ICAO Panel of Teletypewriter Specialists: 4th Meeting	Montreal	Apr. 25–May
ICEM Executive Committee: 15th Session	Naples	Apr. 26–May
U.N. ECAFE Committee on Industry and Natural Resources: 4th Session of Mineral Resources Development Subcommittee.	Tokyo	Apr. 26–May
North Atlantic Council: Ministerial Meeting	Istanbul	May 2–3
FAO Group on Citrus Fruits: 1st Session	Madrid	May 2–11
U.N. ECOSOC Commission on Commodity Trade: 8th Session	New York	May 2–13
GATT Committee on Balance-of-Payments Restrictions	Geneva	May 2–28
13th World Health Assembly	Geneva	May 3–20
13th International Cannes Film Festival	Cannes	May 4–20
International Rubber Study Group: 62d Meeting of Management Committee.	London	May 5–6
ICEM Council: 12th Session	Naples	May 5–14
GATT Committee II on Expansion of International Trade	Geneva	May 9–13
FAO Advisory Campaign Committee on Freedom From Hunger	Rome	May 9–14
UNESCO/ILO Committee of Experts on Neighboring Rights	The Hague	May 9–21
IAEA Symposium on Fuel Element Fabrication With Special Emphasis on Cladding Materials.	Vienna	May 10–13
UNESCO Advisory Committee on the 3d Major Project on Arid Zone Research and Symposium on Arid Zone Problems.	Paris	May 10–20
UNESCO Symposium on Arid Land Problems	Paris	May 11–18
FAO/ECE Meeting on Problems of Methodology and Definitions in Agricultural Statistics in European Countries.	Geneva	May 16–20
Meetings of Chiefs of State and Heads of Government	Paris	May 16–17
U.N. ECE Working Group on Coordination of Agricultural Statistics.	Geneva	May 16–20
UPU Executive and Liaison Committee	Bern	May 16–28
International Cotton Advisory Committee: 1st Session of Committee on Extra-Long-Staple Cotton.	México, D.F	May 18–23
FAO Group on Coconut and Coconut Products: Working Party on Copra Quality and Grading.	Rome	May 18–20
ITU/CCITT Study Group 2/1	Geneva	May 18–25
North Atlantic Council: Ministerial Meeting	Paris	May 19 (1 da
8th Pan American Highway Congress	Bogotá	May 20–29
ILO Governing Body: 145th Session	Geneva	May 23–28*
FAO Group on Coconut and Coconut Products: 3d Session	Rome	May 23–31
SEATO Military Advisers	Washington	May 25–27
U.N. Special Fund: 4th Session of Governing Council	New York	May 25–27

In Session as of May 31, 1960

Conference on the Discontinuance of Nuclear Weapons Tests	Geneva	Oct. 31, 1958–
Ten-Nation Disarmament Committee	Geneva	Mar. 15–
U.N. Trusteeship Council: 26th Session	New York	Apr. 14–

[1] Prepared in the Office of International Conferences, May 20, 1960. Asterisks indicate tentative dates. Followin is a list of abbreviations: CCITT, Comité consultatif international télégraphique et téléphonique; ECAFE, Econo ic Commission for Asia and the Far East; ECE, Economic Commission for Europe; ECOSOC, Economic and Social Cour l; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Ato ic Energy Agency; IA–ECOSOC, Inter-American Economic and Social Council; IBE, International Bureau of Educati; ICAO, International Civil Aviation Organization; ICEM, Intergovernmental Committee for European Migrati; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, Inr-national Telecommunication Union; NATO, North Atlantic Treaty Organization; PAHO, Pan American Health Orgi-ization; SEATO, Southeast Asia Treaty Organization; U.N., United Nations; UNESCO, United Nations Educatio l, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; UPU, Universal Postal Union; WH, World Health Organization; WMO, World Meteorological Organization.

ATT Contracting Parties: 16th Session	Geneva	May 16–
MCO International Conference on Safety of Life at Sea	London	May 17–
AO Panel on Origin-and-Destination Statistics: 2d Meeting	Montreal	May 23–
ıternational Cotton Advisory Committee: 19th Plenary Meeting.	México, D.F	May 23–
.N. Tin Conference	New York	May 23–
ıternational Union for the Protection of Industrial Property: 24th Congress.	London	May 28–
TU Administrative Council: 15th Session	Geneva	May 28–
ıternational Commission for Northwest Atlantic Fisheries: 10th Meeting.	Bergen, Norway	May 30–
ıternational Commission on Irrigation, Flood Control, and Drainage: 4th Congress.	Madrid	May 30–
.N. ECE Working Party on Mechanization of Agriculture	Geneva	May 30–
EATO Council: 6th Meeting	Washington	May 31–

cheduled June 1 Through August 31, 1960

AO Group on Grains: 5th Meeting	Rome	June 1–
ıternational Labor Conference: 44th Session	Geneva	June 1–
orld Power Conference: 13th Sectional Meeting	Madrid	June 5–
.N. ECE Housing Committee: 20th Session (and Working Parties).	Geneva	June 6–
AO Committee on Commodity Problem: 33d Session	Rome	June 7–
NESCO Committee of Governmental Experts on a Draft International Convention and Draft Recommendations on Various Aspects of Discrimination in Education.	Paris	June 12–
h Annual Electronic, Nuclear, and Cinematographic Exposition	Rome	June 13–
.N. ECE Subcommittee on Road Transport: Working Party on Construction of Vehicles.	Geneva	June 13–
AEA Board of Governors: 17th Session	Vienna	June 14–
ıternational Conference on Large Electric Systems: 18th General Assembly.	Paris	June 15–
.N. ECE Coal Committee: 50th Session	Geneva	June 20–
.N. ECE Rapporteurs on Comparisons of Systems of National Accounts.	Geneva	June 20–
.N. ECOSOC Consultants on Standardization of Cartographic Names.	New York	June 20–
ıternational Whaling Commission: 12th Meeting	London	June 20–
)th International Berlin Film Festival	Berlin	June 24–
LO Governing Body: 146th Session	Geneva	June 24–
ATT Working Party on Polish Participation in the Tariff Conference.	Geneva	June 27–
ıternational Association for Bridge and Structural Engineering: 6th Congress.	Stockholm	June 27–
MO Executive Committee: 12th Session	Geneva	June 27–
PU Consultative Committee on Postal Studies: Annual Meeting of Management Council.	Eastbourne, England	June 27–
.N. ECE Steel Committee: 24th Session	Geneva	June 27–
ıternational Wheat Council: 30th Session	London	June 28–
A–ECOSOC Permanent Technical Committee on Ports: 3d Meeting.	Rio de Janeiro	June
ıter-American Seminar on Strengthening the Family Institution	Caracas	June
ıternational Lead and Zinc Study Group: 2d Session of Standing Committee.	New York	June
ermanent International Commission of Navigation Congresses: Annual Meeting.	Brussels	June
th International Meeting of Tonnage Measurement Experts	Europe	June
NICEF Committee on Administrative Budget	New York	June
ATT Committee on Balance-of-Payments Restrictions	Geneva	July 4–
evelopment Assistance Group: 2d Meeting	Bonn	July 5*–
.N. Economic and Social Council: 30th Session	Geneva	July 5–
NESCO/IBE: 23d Conference on Public Education	Geneva	July 6–
BE Council: 26th Session	Geneva	July 9–
aribbean Commission: 30th Meeting	San Juan	July 11–
th International Grassland Congress	Reading, England	July 11–
nter-American Nuclear Energy Commission: 2d Meeting	Petropolis, Brazil	July 11–
.N. ECOSOC Ministerial-Level Meeting	Geneva	July 11–
NESCO Intergovernmental Conference on International Oceanographic Ships.	Denmark	July 11–
outh Pacific Commission: 11th Meeting of South Pacific Research Council.	Nouméa, New Caledonia	July 12–
atin American Symposium on Nuclear Energy	Petropolis and Brasília	July 18–
nternational Sugar Council: 7th Session	London	July 18–
ATT Intersessional Committee	Geneva	July 18–
nternational Union of Geodesy and Geophysics: 12th General Assembly.	Helsinki	July 25–

Scheduled June 1 Through August 31, 1960—*Continued*

Inter-American Indian Institute: Governing Board	México, D.F.	July
U.N. ECOSOC Technical Assistance Committee	Geneva	July
3d FAO Latin American Meeting on Soils and Fertilizers	Raleigh, N.C.	Aug. 1–
U.N. ECE Committee on Agricultural Problems: Working Party on Standardization of Conditions of Sale for Cereals.	Geneva	Aug. 1–
FAO Latin American Forestry Commission: 7th Session	undetermined	Aug. 5–
5th Inter-American Conference on Agriculture (to be held jointly with 6th Regional Conference for Latin America).	México, D.F.	Aug. 8–
2d U.N. Conference on Prevention of Crime and Treatment of Offenders.	London	Aug. 8–
PAHO Directing Council: 12th Meeting	Habana	Aug. 14–
Regional Committee of WHO for the Americas: 12th Meeting	Habana	Aug. 14–
International Union of Crystallography: 5th General Assembly	Cambridge, England	Aug. 15–
21st International Geological Congress	Copenhagen	Aug. 15–
7th International Congress of Soil Science	Madison, Wis.	Aug. 15–
5th World Forestry Congress	Seattle	Aug. 29–
U.N. *Ad Hoc* Committee of General Assembly To Consider General Questions of Transmission of Information.	New York	Aug. 29–

Opportunities for Cooperation on Behalf of New States

Following is a statement made on April 14 at the 29th session of the U.N. Economic and Social Council by Christopher H. Phillips, U.S. Representative, during debate on the item "Opportunities for International Cooperation on Behalf of Former Trust Territories and Newly Independent States," together with the text of a resolution adopted by the Council that day.

STATEMENT BY MR. PHILLIPS

U.S./U.N. press release 3385

Close to 900 million people have found national independence since 1918, most of them since the end of the Second World War. The process which began in the Middle East and in Asia is now repeating itself at an accelerated rate in Africa. One of the first official acts of any of these newly created states is usually to seek admission to the United Nations. We are happy to receive them. Once the flag of a new state is raised in front of this great building, its representatives add their voices to those demanding that special attention be given to the economic and social needs of the less developed countries.

This is only natural. The problems of these new states are many, but they are also one. The difficulties, the needs, the ills of many of the countries and the emerging territories are practicall all translated into the same problem of develop ment, or, more specifically, of economic develop ment. But such simplification of the definitio of the scope of the problem does not simplify th problem itself.

I shall address myself today specifically to th situation in Africa, for this is the area which th General Assembly had primarily in mind whe at its 14th session it approved Resolutions 141 and 1415 asking the Council and the Secretary General to give special consideration to the need and aspirations of former trust territories whic had become independent and of other newly in dependent states.

It is hardly necessary in this forum to point ou the magnitude of the problem of economic devel opment in Africa. The real impetus for the de velopment of Africa comes out of the yearning o some 200 million people to shake off the weigh of ignorance and disease and all those other fac tors which have prevented them from enjoyin a better life. This surge within 200 million indi viduals adds up to a movement of tidal force. I is the kind of force, I may say, which had a larg part in the building of my own country. It wa the force that sent the early American pioneer into the wilderness looking through the sterne of toil for a better life, the kind of force whic made every American want to improve his lot an willing to work to do so. My countrymen under

stand the African's intense desire to advance not only politically but also economically and socially, and my countrymen are anxious to help him in his quest.

Responsibility To Aid in Development

We recognize and accept the fact that the countries of Africa newly arrived to statehood will need both moral support and material help from the U.N. organizations. Their newly found political independence must be buttressed and strengthened by sound economic growth and social progress in assured freedom. Much can and is being done by the aid efforts of the former administering powers and by other countries, big and small—including my own—which for some time have known the blessings of freedom and the fuller life which it makes possible. But, beyond this, the fact cannot be shirked that the U.N. and its associated organizations have a special responsibility in aiding the newly emerging states and that their contribution to the development of these states may well be of crucial importance. Having had the privilege, earlier this year, to attend the second session of the Economic Commission for Africa,[1] I know that our African friends themselves look with high hopes to the family of United Nations organizations for assistance. Indeed, we have a collective responsibility, for in many cases the U.N. has had an important share in paving the way to self-government and to independence.

It is not only up to us to do something, but it is up to us to do it now. The individual who yearns for a better life for himself and his children is not likely to be satisfied with the hope of something for his grandchildren, and it might not take long for his yearning to change into frustration and despair. We cannot sit by while an impetus such as this with its great constructive potential turns itself into something with an equal potential for destruction. I am sure there is no one in this room who does not recognize the opportunities and dangers which we are facing, but we sometimes forget that time slips by even as we talk about what we must do. Debates and studies take time, and the interval between debates and studies usually takes even more time. If we are to meet the challenge of Africa, as we all feel we must, the time to act is now.

[1] For a statement made by Mr. Phillips, see BULLETIN of Mar. 28, 1960, p. 502.

It is not my purpose to point out here the aid which the United States has provided in Africa in the past or to underline the proposals for an increased United States effort in tropical Africa, which the United States Congress is now considering.[2] Rather, I want to urge a greater international effort toward the solution of Africa's problem of development. We will continue our efforts to provide aid to Africa on a bilateral basis, and we shall continue to coordinate our programs with any corresponding multilateral programs in order that our efforts in this important endeavor might be working together and in one direction. But we feel strongly that increased assistance can and should be made available through the United Nations.

It is in this context that I want to commend warmly the note of the Secretary-General on "Opportunities for International Co-operation on Behalf of Former Trust Territories and Other Newly Independent States" reproduced in document E/3338. It is a carefully and judiciously worked document pregnant with thought and suggestion. The Secretary-General very properly points to tried and proven programs of the U.N. which, if properly used, have a real contribution to make in advancing economic and social progress in Africa as they have done elsewhere. He points to the technical assistance programs of the U.N. financed out of the regular budget. He refers to the Expanded Program of Technical Assistance and to the new Special Fund. He points to OPEX, under which operational, executive, and administrative personnel can be provided.[3] I should like to see added to this enumeration the program of advisory social welfare services which may be of special significance in a continent which requires many adjustments in its social patterns and institutions to facilitate economic progress and attain higher levels of living.

All these are programs readymade for action and designed to meet some of the most urgent

[2] For President Eisenhower's message to Congress on the Mutual Security Program for fiscal year 1961, see *ibid.*, Mar. 7, 1960, p. 369; for a statement by Assistant Secretary Satterthwaite on the program for Africa, see *ibid.*, Apr. 18, 1960, p. 603.

[3] The OPEX program, which was approved by the General Assembly in 1958 for an experimental 1-year period, is intended to help requesting governments recruit from outside their country experienced operational, executive, and administrative personnel to work as civil servants on a temporary basis.

needs of the emerging states. Through these and related activities of the U.N. and its associated organizations, studies and surveys can be initiated which will give the new leaders of Africa and all of us a better understanding of their problems and define the most urgent needs and the most promising opportunities for assistance. They are programs which can assist these countries in the development of constructive programs in the economic and social field. They provide for a transfer of technical knowledge and experience and the adjustment of such knowledge and experience to local conditions. They provide for the employment of experts and the training of local personnel at all levels. Of special importance, they offer facilities for improvements in administration and the provision of trained administrative personnel.

All these are basic needs which have to be met in order to attract and make possible the most effective use of sorely needed capital, whether from private sources, from individual governments, groups of governments, or through such multilateral organizations as the IBRD [International Bank for Reconstruction and Development], IFC [International Finance Corporation], and IDA [International Development Association]. In one word, we do not need to cast around for new programs or institutions—we already have the necessary mechanisms to offer effective multilateral aid. What is needed is a strengthening of these programs, a concentration of efforts, and additional money to put these programs to work on the required scale.

Need for Additional Funds

This raises a fundamental point on which there must not remain any equivocation or doubt. It is this: We cannot and must not strip the programs going on in other parts of the world to build up the programs in Africa. We know that in recent years some of the assistance given to countries in Asia and the Far East, in the Middle East, and in Latin America had to be curtailed in order to make available a minimum of assistance to Africa. I have no hesitation in saying that this is an intolerable situation.

What is required now is additional funds. My delegation feels that a special effort should be made to have governments increase their pledges at the next pledging conference in the fall in order that there might be a substantial increase in the operations in Africa of the Expanded Program and the Special Fund, while at the same time fully maintaining or even increasing the assistance given to other less developed countries. It is not too much to hope that the present figure of about $72 million pledged to those two programs for 1960 might be increased to $100 million for 1961, the figure contemplated by the General Assembly in 1957 when it set up the Special Fund. That increase would allow an orderly expansion of the major technical assistance programs of the U.N. and its related organizations to permit an effective attack on the most pressing needs of the newly emerging states of Africa without neglecting the needs of other less developed parts of the world, which we fully realize are also pressing. It would be a clear indication to the countries newly arriving at statehood of the concern for their welfare existing in other countries, particularly within the organization of the U.N., to which they all look for comfort and guidance as well as constructive assistance.

Beyond this the time has come to contemplate possible increases in the funds available under the regular budgets of the U.N. and the specialized agencies. As far as the U.N. goes—and this is our own most immediate responsibility—even relatively small increases in the funds available for the regular technical assistance programs and to OPEX could go a long way in providing needed additional assistance in the economic and social development of Africa.

I am not prepared at this stage to suggest in terms of specific figures the extent to which the regular programs of the U.N. as enumerated might need additional funds. This is a matter of further study which we hope the Secretary-General will undertake prior to the summer session of the Council. I repeat, however, that any increases should be adequate to develop effective programs in Africa while at the same time continuing, if necessary at an accelerated rate, assistance to other less developed parts of the world.

Mr. President, my delegation, in cooperation with the delegation of Sudan, which has become the voice of Africa in this Council, and with the cosponsorship of the delegations of Denmark, Japan, Netherlands, New Zealand, has submitted a resolution which is now before the Council. This resolution follows closely the arguments and suggestions which I have just advanced. It requires

little additional explanation. In its operating part it gives recognition to the special needs of the newly emerging states of Africa and elsewhere and calls for effective assistance within the framework of existing programs of the U.N. and the specialized agencies. It then specifies the several existing programs and available machinery which can and should be used in providing such assistance. It asks the Secretary-General to undertake a more specific examination of these opportunities for international cooperation on behalf of former trust territories and other newly independent states, including an examination of the extent to which additional funds might be required. The Secretary-General is requested to prepare his report, to be submitted to the 30th session of the Council, in consultation with the governments of countries which were formerly under trusteeship and which have become independent; with the executive heads of the specialized agencies, which have a great role to play, I am sure, in the development of adequate assistance; and with such other international governmental and nongovernmental organizations as may be competent to make a contribution to his study.

Without any waste of unnecessary words the resolution addresses itself squarely and without equivocation to problems on which we shall have to reach clear-cut decisions, first at the next session of the Council this summer and later in the General Assembly this fall. I trust that on the basis of the Secretary-General's report this Council will be able to elaborate next July a set of precise recommendations which should enable the General Assembly to act promptly so as to permit technical and related assistance on a scale commensurate with needs.

Mr. President, I trust that all the nations of this great family of nations, and particularly those represented on this Council, will join wholeheartedly in this effort to make sure that those new countries that look to us for sympathy, for encouragement, and for help shall receive more than words in return.

TEXT OF RESOLUTION[4]

The Economic and Social Council,

Having considered General Assembly resolution 1414 (XIV) of 5 December 1959 calling for a study of opportunities for international co-operation on behalf of the former Trust Territories which have become independent, together with Assembly resolution 1415 (XIV) of 5 December 1959 regarding assistance to territories emerging from a trust status and to newly independent States,

Recognizing that there is an urgent need for international assistance to strengthen the newly-found independence of these countries by sound economic growth and social progress,

Noting the desire of the Economic Commission for Africa, as expressed in its resolution 10 (II) of 5 February 1960, to co-operate with the Secretary-General and the Economic and Social Council in this matter, in view of its terms of reference and of the advantages inherent in the fact that it is situated in the African continent,

Having considered the note by the Secretary-General entitled "Opportunities for international co-operation on behalf of former Trust Territories and other newly independent States",

1. *Takes note with appreciation* of the Secretary-General's observations which form a valuable basis for further consideration of the problem;

2. *Believes* that special efforts need to be made in support of the newly emerging States of Africa and elsewhere to provide without delay effective assistance within the framework of existing programmes of the United Nations and through the specialized agencies;

3. *Expresses the hope*, in accordance with General Assembly resolutions 1382 (XIV), paragraph 5, and 1383 A (XIV), paragraph 5(b), of 20 November 1959, that additional funds will be made available to the Expanded Programme of Technical Assistance and the Special Fund in 1961 and following years to permit a substantial increase in the activities of these programmes in Africa, at the request of former Trust Territories and other newly independent States, while fully maintaining, or increasing, assistance given to other regions under these programmes;

4. *Requests* the Secretary-General, bearing in mind existing bilateral and multilateral aid programmes, to present to the Council at its thirtieth session a report based on a further and more specific examination of the opportunities for international co-operation on behalf of former Trust Territories and other newly independent States, including opportunities offered:

(*a*) Under the regular assistance programmes, specifically those established by General Assembly resolutions 200 (III) of 4 December 1948 concerning technical assistance for economic development, 723 (VIII) of 23 October 1953 concerning technical assistance in public administration and 1256 (XIII) of 14 November 1958 concerning operational, executive and administrative personnel, and having regard to the possible need for the provision of additional funds in the United Nations regular budget for these purposes;

(*b*) Under General Assembly resolution 418 (V) of 1 December 1950 regarding advisory social welfare services;

5. *Further requests* the Secretary-General, in preparing the above-mentioned report, to consult the Governments of countries which were formerly under trusteeship and which have become independent, as suggested

[4] U.N. doc. E/RES/752 (XXIX); adopted unanimously Apr. 14.

in General Assembly resolution 1414 (XIV); the executive heads of the specialized agencies as contemplated under Assembly resolution 1415 (XIV) and as he has indicated at the twenty-ninth session of the Council; and, as appropriate, such other international governmental and non-governmental organizations as may be competent to make a contribution to the study;

6. *Decides* to consider the report of the Secretary-General at its thirtieth session with a view to further action and the submission of its report to the General Assembly at its fifteenth session.

GATT Contracting Parties Convene at Geneva

The Department of State announced on May 15 (press release 263 dated May 13) that problems of major importance for the future development of international trade will confront the 42 countries that participate in the work of the General Agreement on Tariffs and Trade (GATT) when they convene at Geneva on May 16 for their 16th session. Among the more important subjects to be dealt with at the session will be the elimination of quantitative restrictions on imports, the European Free Trade Association, the Latin American Free Trade Association, the avoidance of market disruption caused by sharp increases in imports of particular commodities, and the trade problems of less developed countries.

Charles W. Adair, Jr., Deputy Assistant Secretary of State for Economic Affairs, will be chairman of the U.S. delegation to the session. Walter A. Edwards, Deputy Assistant Secretary of Commerce for Domestic Affairs, will serve as vice chairman, and Alfred Reifman, Assistant Chief of the Commercial Policy and Treaties Division, Department of State, as assistant chairman.[1]

The GATT, as the basic instrument regulating commercial relations between the United States and the principal trading nations of the free world, is the cornerstone of U.S. commercial policy. Its provisions are designed to reduce governmental interference with the flow of international trade. The Contracting Parties to the GATT account for more than 80 percent of international trade.

During the 16th session the convention of the European Free Trade Association (EFTA), which has recently been ratified by Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom, will be examined by the Contracting Parties. The U.S. Government, together with other contracting parties, will consider the convention in the light of relevant provisions of the GATT and seek to assure that the convention will be administered in a liberal manner which guarantees equitable treatment to the trade of countries outside the Association.

Another regional market arrangement, the Latin American Free Trade Association, will also be on the agenda for the session. The arrangement was provided for in the treaty of Montevideo, signed February 18, 1960, by representatives of four countries which participate in GATT (Brazil, Chile, Peru, and Uruguay) and three which do not (Argentina, Mexico, and Paraguay). It is expected that the Contracting Parties will hear a preliminary explanation of the Montevideo treaty by the signatory countries and that individual countries will indicate their general reactions to the various aspects of the treaty.

Acting on a suggestion of Under Secretary Dillon, the Contracting Parties decided at their last session, held at Tokyo in November 1959, to study the problem of market disruptions caused by sharp increases of imports over a brief period of time and in a narrow range of commodities.[2] Mr. Dillon pointed out that the problem is to find the means to ameliorate the adverse effects of an abrupt invasion of established markets while continuing to provide steadily enlarged opportunities for trade. This problem will be considered at the 16th session with the help of a factual report which has been prepared on the subject, including a survey of import restrictions which various countries maintain in order to prevent market disruption.

The GATT Committee on Balance of Payments Restrictions holds several series of consultations each year with those countries which still maintain import restrictions to safeguard their monetary reserves. In these consultations, required by the provisions of the GATT, the Contracting Parties examine quantitative import restrictions still

[1] For a list of other members of the U.S. delegation, see press release 263.

[2] For Mr. Dillon's statement and text of a communiqué issued at the conclusion of the 15th session, see BULLETIN of Nov. 16, 1959, p. 703; for a report on the 15th session see *ibid.*, Dec. 7, 1959, p. 843.

in force, their effects, and the prospects for their removal or reduction. The Committee has been an important influence leading to the reduction of quantitative import restrictions, particularly those discriminating against U.S. exports. Consultations are being held before and during the 16th session with Austria, Brazil, Greece, India, South Africa, and Uruguay.

The Contracting Parties will review the reports of the committees which have been studying ways to (1) expand international trade in agricultural commodities and (2) assist the exports of less developed countries. In addition the session will deal with a variety of trade issues, including import restrictions maintained by Italy, Germany, and Belgium; developments within the European Economic Community; reports prepared by panels of experts regarding restrictive business practices, subsidies, state-trading enterprises, antidumping and countervailing duties, and facilities for the temporary admission of professional equipment and packing materials; means for improving the handling of GATT business between the semi-annual sessions; and a number of other matters in the field of international trade.

IBRD Issues Financial Statement for Period Ending March 31

The International Bank for Reconstruction and Development reported on May 5 that its reserves had risen by $64.7 million in the first 9 months of the current fiscal year to a total of $484.6 million.

The additions to reserves in the 9-month period ending March 31, 1960, are made up of net earnings of $44.7 million which were placed in the supplemental reserve against losses on loans and guarantees and loan commissions of $20 million which were credited to the special reserve. On March 31 the supplemental reserve totaled $326.7 million and the special reserve was $157.9 million.

Gross income, exclusive of loan commissions, was $110.2 million. Expenses totaled $65.5 million and included $56.7 million for interest on the Bank's funded debt, bond issuance, and other financial expenses.

During the period the Bank made 22 loans totaling $554.7 million—in Algeria and Sahara, Austria, Belgian Congo (3 loans), Chile, Colombia, India (2 loans), Iran (2 loans), Italy, Japan (3 loans), Mauritania, Norway, Pakistan (3 loans), the United Arab Republic, and Uruguay. This brought the total number of loans to 256 in 52 countries and raised the gross total of commitments to $5,076.6 million.

Disbursements on loans were $353.9 million, making total disbursements $3,731.3 million on March 31.

The Bank sold or agreed to sell the equivalent of $142.8 million principal amounts of loans. At March 31 the total amount of such sales was $711.3 million, of which all except $69 million was without the Bank's guarantee.

Repayments of principal received by the Bank amounted to $55.5 million. Total principal repayments amounted to $620 million on March 31; this included $319.7 million repaid to the Bank and $300.3 million to the purchasers of borrowers' obligations sold by the Bank.

The outstanding funded debt of the Bank amounted to $2,066.5 million on March 31, 1960, reflecting a net increase of $161.3 million over the past 9 months. In this period new bond issues and private placements of Bank obligations amounted to the equivalent of $349.4 million. These consisted of three public issues: a U.S. dollar bond issue in the amount of $125 million, of which $27.6 million is subject to delayed delivery, a sterling stock issue in the amount of £10 million ($28 million), and a Swiss franc bond issue in the amount of Sw Fr 60 million ($13.9 million); and five private placements of obligations totaling the equivalent of $182.5 million, including DM200 million ($47.6 million) of deutsche mark notes which had not been drawn down by March 31. Outstanding debt was increased a further $28.1 million as a result of the delivery of $15.4 million of bonds which had been subject to delayed delivery arrangements and through the drawing down of an additional $12.7 million equivalent from the deutsche mark note of 1958. Funded debt maturing amounted to $125.8 million, and sinking and purchase fund transactions amounted to $15.2 million.

Pursuant to the increase in the Bank's authorized capital from $10 billion to $21 billion on September 15, 1959, the subscribed capital had been increased to $18,931.2 million by March 31, 1960.

United States Delegations to International Conferences

International Cotton Advisory Committee

The Department of State announced on May 20 (press release 276) the designation of Thomas C. Mann, Assistant Secretary of State for Economic Affairs, as chairman of the U.S. delegation to the 19th plenary meeting of the International Cotton Advisory Committee, which will convene at México, D.F., May 23. The Department also announced that F. Marion Rhodes, Director, Cotton Division, Commodity Stabilization Service, Department of Agriculture, will serve as vice chairman.

Other members of the delegation include:

Delegate

Edwin Dean White, Associate Director, Office of Food and Agriculture, International Cooperation Administration

Alternate Delegates

Edelen Fogarty, Commodities Division, Office of International Resources, Department of State

George A. Sallee, *secretary of delegation*, Bureau of Foreign Commerce, Department of Commerce

Robert C. Sherman, Director, Cotton Division, Foreign Agricultural Service, Department of Agriculture

Government Advisers

Thomas R. McMullen, Business and Defense Services Administration, Department of Commerce

Burl Stugard, Agricultural Attaché, American Embassy, México, D.F.

Rodney Whitaker, Deputy Director, Cotton Division, Agricultural Marketing Service, Department of Agriculture

Industry Advisers

George C. Cortright, George C. Cortright Co., Rolling Fork, Miss.

Read P. Dunn, Jr., Director of Foreign Trade, National Cotton Council of America, Washington, D.C.

Burris C. Jackson, American Cotton Shippers Association, Hillsboro, Tex.

Donald J. May, American Cotton Manufacturers Institute, Inc., Washington, D.C.

The International Cotton Advisory Committee was established at Washington in 1939 in accordance with a resolution of an international cotton meeting of 12 principal cotton-exporting countries. Its task is to observe developments in the world cotton situation and to suggest, when advisable, to member governments any measures considered suitable and practicable for the furtherance of international collaboration.

TREATY INFORMATION

United States and Nepal Sign Investment Guaranty Agreement

The United States and Nepal signed an invest ment guaranty agreement at Washington on Ma 17. Following are a Department announcemen and texts of remarks exchanged at the signin ceremony by Acting Secretary of State Dougla Dillon and Gen. Subarna S. J. B. Rana, Deput Prime Minister of Nepal and Minister of Finance Planning, and Development.

DEPARTMENT ANNOUNCEMENT

Press release 270 dated May 17

The U.S. Government investment guaranty pro gram, which is designed to encourage new privat U.S. investment in newly developing countrie was extended to the Kingdom of Nepal on May 17 The program was extended to Nepal by a forma exchange of notes between Acting Secretary Dillo and Gen. Subarna S. J. B. Rana, Deputy Prim Minister of Nepal and Minister of Finance, Plan ning, and Development, in a ceremony in the dip lomatic reception room of the Department o State.

Under the investment guaranty program, whicl is administered by the International Cooperatio Administration as part of the Mutual Securit Program, the United States will now offer thre types of guaranties for investment of private U.S capital in Nepal. These are: (1) guaranty tha capital and local currency receipts from such in vestments will remain convertible into dollars, (2 guaranty against losses from expropriation, an (3) guaranty against losses due to war damage.

The U.S. Government guaranties will be avail able for new U.S. investments of capital goods services, patents, and loans which are approve for purposes of ICA guaranty by the Governmen of Nepal. For this insurance the U.S. investo will pay a premium of one-half of 1 percent pe year for each of the three types.

With the addition of Nepal the U.S. investmen guaranty program is now available for new pri

rate investments of U.S. capital in 34 countries. The investment guaranty program is limited by law to investments in underdeveloped countries and areas.

As of March 31, 1960, a total of $498 million in ICA guaranties had been issued for investments in countries already participating in the program, and applications pending in ICA exceed $1 billion at the present time.

Inquiries and applications for ICA guaranties should be addressed to the Investment Guaranties Staff, International Cooperation Administration, Washington 25, D.C.

EXCHANGE OF REMARKS

Press release 272 dated May 17

Acting Secretary Dillon

I am very glad to have participated in this signing of the investment guaranty agreement between the United States and Nepal. This is another step in the economic cooperation between our two countries, and I hope and am sure that it will be helpful in the further development of Nepal. It indicates the interest of your Government in the promotion of private investment, and by this and through this agreement the United States Government will be able to extend guaranties against inconvertibility, against expropriation, and against war damage to private investments that take place in Nepal.

This is part of a large program. We have such guaranty agreements now with 34 countries, and they have been successful. And we hope that this as in other cases will help to promote the economic development and prosperity of Nepal.

General Subarna

I am indeed very happy to sign this investment guaranty agreement with the Government of the United States of America on behalf of His Majesty's Government of Nepal. The guaranties which this agreement gives to private American investors will, we hope, help us in attracting private investment in Nepal to a great extent. We feel certain that the industrial climate in our country is one that welcomes private investors and that the specific investment opportunities in the country are many.

We recognize that private enterprise has to play a major role in our economic development. With increasing assistance from your Government and the growing interest of the private investors of this great country I am confident our rate of economic progress will be accelerated.

I take pleasure in saying that economic cooperation between our two countries has been steadily growing. With your Government's assistance we have been able to carry out many of our development programs which have contributed in a substantial measure to the welfare of our people.

We deeply appreciate the help we have received from your Government, and are grateful for it. The agreement just signed is an important step which I do hope will prove very helpful in the economic development of our country. I should like to take this opportunity to thank Mr. Dillon and the United States Government for helping us in attracting private United States investment to our country.

United States and Mexico Conclude Air Talks

Press release 268 dated May 16

The conversations between the Governments of the United States of Mexico and the United States of America, which began on April 26 for the purpose of studying the air transport situation between the two countries, were concluded on May 13, 1960. A full exchange of views took place regarding the terms of an agreement governing air transport services to be provided between the two countries subsequent to the expiration on June 30, 1960, of the existing provisional arrangement.[1]

Both delegations offered concrete proposals aimed at a further expansion of the extensive network of air services between the United States and Mexico in view of the geographical position of the two countries and of their cultural and commercial ties. Having completed a detailed examination of various proposals, both delegations agreed to consult their respective Governments to review the progress made during the discussions and obtain further instructions.

[1] Treaties and Other International Acts Series 3776, 4099, and 4269.

Current Actions

MULTILATERAL

Trade and Commerce

Declaration on the provisional accession of Tunisia to the General Agreement on Tariffs and Trade. Done at Tokyo November 12, 1959. Effective between Tunisia and any contracting party on 30th day following acceptance, by signature or otherwise, on behalf of Tunisia and of that contracting party. Enters into force for the United States June 15, 1960.

Signatures: Finland, November 20, 1959; Norway, January 20, 1960; Sweden, February 9, 1960; Israel, February 29, 1960; Belgium[1] and France, March 9, 1960; India, March 17, 1960; Austria,[1] March 21, 1960; Tunisia, April 21, 1960; United States, May 16, 1960.

Declaration on relations between contracting parties to the General Agreement on Tariffs and Trade and the Government of the Polish People's Republic. Done at Tokyo November 9, 1959. Enters into force when it has been accepted, by signature or otherwise, by Poland and by two-thirds of the contracting parties.

Signatures: Poland, November 9, 1959; France, November 18, 1959; Finland, November 20, 1959; Norway, January 20, 1960; Sweden, February 9, 1960; Italy, February 11, 1960; Belgium[1] and Israel, February 29, 1960; India, March 17, 1960; United States, May 16, 1960.

BILATERAL

Greece

Agreement approving the procedures for the reciprocal filing of classified patent applications. Effected by exchange of notes at Athens April 26, 1960. Entered into force April 26, 1960.

Iceland

Agreement amending the agricultural commodities agreement of March 3, 1959, as supplemented (TIAS 4185 and 4344). Effected by exchange of notes at Reykjavik May 10, 1960. Entered into force May 10, 1960.

Muscat, Oman, and Dependencies

Treaty of amity, economic relations, and consular rights. Signed at Salalah December 20, 1958.

Ratifications exchanged: May 11, 1960.

Enters into force: June 11, 1960.

Treaty of amity and commerce. Signed at Muscat September 21, 1833. Entered into force June 30, 1834. 8 Stat. 458.

Terminates: June 11, 1960 (replaced by treaty signed at Salalah December 20, 1958, *supra*).

Nepal

Agreement relating to investment guaranties authorized by section 413(b)(4) of the Mutual Security Act of 1954, as amended (68 Stat. 847; 22 U.S.C. 1933). Effected by exchange of notes at Washington May 17, 1960. Entered into force May 17, 1960.

United Kingdom

Agreement regarding the application of the agreement of November 27, 1956, for the establishment of an oceanographic research station in the Turks and Caicos Islands (TIAS 3696). Effected by exchange of notes at Washington May 12, 1960. Entered into force May 12, 1960.

Agreement regarding the application of the agreement of November 1, 1957, for the establishment of oceanographic research stations in the Bahama Islands (TIAS 3927). Effected by exchange of notes at Washington May 12, 1960. Entered into force May 12, 1960.

[1] Subject to ratification.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

General Agreement on Tariffs and Trade. TIAS 4385. 9 pp. 10¢.

Declaration on relations between contracting parties to agreement of October 30, 1947, and Yugoslavia. Done at Geneva May 25, 1959. Entered into force with respect to the United States of America November 19, 1959.

Status of United States Forces in Lebanon. TIAS 4387. 3 pp. 5¢.

Agreement between the United States of America and Lebanon. Exchange of notes—Dated at Beirut July 31 and August 6, 1958. Entered into force August 6, 1958.

Background of Heads of Government Conference, 1960. Principal Documents, 1955–1959 (With Narrative Summary).

Pub. 6972. International Organization and Conference Series 10. xxxix, 478 pp. $1.25.

This volume contains documents covering the principal developments leading to the May 1960 Paris Conference, with a narrative summary referring to the meetings held during World War II and reviewing briefly the relations between the Soviet Union and the Western Powers in the early postwar years.

Check List of Department of State Press Releases: May 16–22

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases issued prior to May 16 which appear in this issue of the BULLETIN are Nos. 244 and 246 of May 5, 248 of May 6, and 263 and 264 of May 13.

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268	5/16	Aviation talks with Mexico.
†269	5/17	Mann: statement on 1954 convention on oil pollution of seas.
270	5/17	Investment guaranty agreement with Nepal.
271	5/17	Eisenhower: statement, Paris meeting.
272	5/17	Dillon, Rana: U.S.–Nepal investment guaranty agreement.
†273	5/19	Yugoslav decision on 1948 claims agreement.
274	5/19	NATO communique.
275	5/20	Dillon: Japan–America Society.
276	5/20	Delegation to International Cotton Advisory Committee (rewrite).

†Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

Bulletin

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June 13, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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;ecretary Herter Reports to Foreign Relations Committee)n Events at Paris

Statement by Secretary Herter[1]

THE GENESIS OF THE SUMMIT

. The Threat to Berlin

In order to understand what happened in Paris ve need to look back over the preceding 18 months.

In November 1958 the U.S.S.R. began a new trategy directed toward altering the situation in Berlin and East Germany in its favor.[2] If the Vestern Powers refused to give up their present osition in Berlin and make West Berlin a so-alled "free city," the Soviet Union stated its in-ention to proceed unilaterally at the end of 6 ıonths, turning over full sovereignty to the so-alled German Democratic Republic and thereby onfronting the Allies with the alternative of ca-ıitulation or resort to force which would be met ıy Communist force. Though the strategy as it ınfolded proved to be more flexible than its orig-nal statement, it is still the official policy of the J.S.S.R. Its force lies in the Soviet ability to hreaten Berlin, where we are morally committed ıut physically exposed.

The Western Powers, of course, promptly re-ected the Soviet proposal and reaffirmed their de-ermination to stand by Berlin.

In the months that followed, while the U.S.S.R. laborated and pressed its strategy, the Western Powers concerted their plans to meet it. They ought to engage the U.S.S.R. in negotiation, hereby clarifying its intentions and either attaining solutions acceptable to the West or, as a minimum, convincing it that unilateral action against Berlin would not be sound.

B. Engaging the U.S.S.R. in Negotiation

It was by no means a foregone conclusion that the U.S.S.R. would negotiate on an acceptable basis. In January 1959 the U.S.S.R. proposed a conference to adopt a peace treaty with the two parts of an indefinitely divided Germany. The Western Powers continued to maintain that a peace treaty could be negotiated and signed only with a united Germany, hence that the reunification of Germany must be settled first. They also maintained that the only proper solution for Berlin lay in its becoming the capital of a unified Germany, and therefore they were unwilling to discuss Berlin as an isolated issue.[3] But the U.S.S.R. had held for some time that reunification was solely the business of the Germans and therefore refused to discuss it.

The West persisted during February and March in its efforts to get the Russians talking somehow. It proposed a meeting of foreign ministers, with the prospect of a possible summit meeting when due preparations had been made. The U.S.S.R. had repeatedly indicated a desire for one since 1956. Finally a compromise agenda, which did not prejudice the substantive views of either side, was adopted for a foreign ministers meeting, and

[1] Made before the Senate Foreign Relations Committee on May 27 (press release 284).

[2] For texts of a Soviet note of Nov. 27, 1958, and a U.S. reply, see BULLETIN of Jan. 19, 1959, p. 79.

[3] For an exchange of notes between the United States and the Soviet Union, together with the text of the U.S.S.R.'s proposed treaty with Germany, see *ibid.*, Mar. 9, 1959, p. 333.

a date was set in May, shortly before the expiration of the original Soviet deadline for meeting their arbitrary demands on Berlin.[4]

C. Foreign Ministers' Deadlock

During the intensive preparations for the meeting the Western Powers developed a new version of their basic position regarding Germany, which was submitted at Geneva as the Western peace plan.[5] It consisted in approaching the unification of Germany through a series of stages, thereby offering the U.S.S.R. a chance to adjust its position gradually to the eventual loss of its hold on East Germany which free elections would presumably bring. The plan showed flexibility and imagination; it appealed to world opinion; but its rejection by the U.S.S.R. was nonetheless flat. The U.S.S.R. stuck adamantly to its previously announced proposals for a peace treaty with a divided Germany. Thus the basic positions remained totally unreconciled.

Finding no progress possible on Germany, the Western Powers and the U.S.S.R. explored the possibility of an interim agreement on Berlin which, without contemplating a basic solution of Berlin as a separate issue, would do something to mitigate difficulties which the U.S.S.R. professed to find there. Though some progress was made in this direction, the U.S.S.R. insisted on language which would have implied the eventual erosion of the Western position in Berlin. Accordingly, despite the labor of 3 months with only one short adjournment, the foreign ministers meeting ended in deadlock.

D. High-Level Trips

The failure of the foreign ministers meeting did not result in a war crisis, however, because a parallel train of events had meanwhile brought hope in a different direction. We took the opportunity of Mikoyan's visit to the Soviet Embassy here in January [6] to arrange informal exchanges of views between the Soviet leader and top U.S. officials. This was followed in June and July by further visits and exchanges, of [Frol R.] Kozlov to this country and the Vice President to the U.S.S.R. The fact that these visits took place without public incident and made possible somewhat more realistic communication than usual with the Soviet leadership seemed to offer a possibility—only a possibility, of course—that means of avoiding war and eventually getting Soviet-Western relations into somewhat less dangerous shape might be found by developing these informal contacts.

Accordingly the President decided to go ahead with a move which he and his advisers had long had in mind when the time seemed right. He invited Chairman Khrushchev to visit this country, and the visit was announced before the foreign ministers ended their Geneva meeting.

During that visit no progress was made, or indeed expected, on resolving outstanding problems but a somewhat greater degree of mutual understanding was seemingly attained, particularly on the need to settle international questions by peaceful means rather than by force.[7] There was also a suspension, later publicly acknowledged, of whatever was left of the Soviet ultimatum on Berlin.

E. Preparation for the Summit

After the Khrushchev visit it was judged feasible and desirable by the Western Powers to move toward renewed discussion, this time at the summit. Some flicker of hope for progress on Berlin had appeared at Camp David, whereas Geneva had ended in deadlock. During his American visit Khrushchev had also evinced an interest in the equally vital field of disarmament and even though disarmament talks were to start in the Committee of Ten at Geneva, it was felt that Khrushchev might reserve his constructive moves if any, for the summit.

Accordingly, after due consultations among the Western Heads of Government, an invitation to a summit was sent to Khrushchev and accepted by him, and after some difficulty over earlier dates the time was finally set for May 16.[8] This move found broad support in Western public opinion.

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[4] For background on the foreign ministers meeting at Geneva, May 11–Aug. 5, 1959, see *ibid.*, Apr. 13, 1959, p. 507; June 1, 1959, p. 775; June 8, 1959, p. 819; June 15, 1959, p. 859; June 29, 1959, p. 943; July 6, 1959, p. 3; Aug. 3, 1959, p. 147; Aug. 10, 1959, p. 191; and Aug. 24, 1959, p. 265.

[5] For text, see *ibid.*, June 1, 1959, p. 779.

[6] Anastas I. Mikoyan, Soviet First Deputy Premier, was in the United States on an unofficial visit Jan. 4–20, 1959.

[7] For text of a communique on the talks between President Eisenhower and Mr. Khrushchev at Camp David, Md., see BULLETIN of Oct. 12, 1959, p. 499.

[8] *Ibid.*, Jan. 18, 1960, p. 77.

There ensued an intensive and protracted series of preparations on the Western side, involving repeated meetings not only of the foreign ministers and of NATO but even of the Heads of Government. Within our own Government we also studied most carefully the possibilities of making progress not only on Berlin and Germany but most particularly in disarmament, as well as other aspects of general Soviet-Western relations.

At the December meeting of Western Heads of Government[9] a consensus emerged that the May summit might be only one of a series of such meetings and that it would be largely exploratory. Some modest progress was hoped for, but no major solutions on any front. But if a beginning could be made, the series of talks, possibly in a gradually improving atmosphere over the years, might do substantially more.

F. Summit Prospects Dimmed

In the first weeks after the Khrushchev American visit there was a general improvement of atmosphere and people began talking, partly in hope, partly in some confusion, about *détente*. There were comparatively conciliatory speeches on each side; there was progress in the test-ban talks at Geneva; a new Soviet–U.S. cultural agreement was signed November 21;[10] and on December 1 the U.S., the U.S.S.R., and other powers signed the Antarctic treaty.[11]

But clouds began to gather even then. One of the earliest signs was the strong Soviet protest on November 11 against West German plans to build a broadcasting station in West Berlin.[12] Another was the Khrushchev speech on November 14, which was harder in tone, boasted again of Soviet missile prowess, and began a concentrated attack on [Chancellor Konrad] Adenauer and the German Federal Republic which later increased and seemed to be a central feature of Soviet presummit tactics. The reason for this attack is still a matter for speculation. Perhaps they thought it would undermine the Western position on Berlin by helping to divide the Western allies. It had no such effect, of course, but naturally rallied us to speak out in defense of our German ally.

Khrushchev as early as December 1 also began repeating his threats to sign a separate peace treaty with East Germany. He repeated these threats in his speech to the Supreme Soviet on January 14 and in his remarks during his visit to Indonesia and other countries in January. On February 4 the Warsaw Pact powers issued the first formal bloc-wide commitment to sign a separate G.D.R. peace treaty. Thus Khrushchev's threatening Baku speech of April 25, though it was the most sweeping since February 1959, was only a harsher version of what he had been saying for months before. I shall make full documentation on his speeches available to the committee.

Not until April did we reply at length to this mounting crescendo of Soviet statements. We did so in order to keep the record straight—notably in the speeches of April 4[13] and 20,[14] which Khrushchev attacked for starting arguments that he in fact had begun.

The unity of the four Western Powers on Berlin, meanwhile, presumably signaled to the U.S.S.R. that prospects for eroding the Western position or obtaining Soviet terms on Berlin remained slight. President de Gaulle and other leaders were quite firm in discouraging expectations on this front. The NATO Council in Istanbul May 2–4 also reaffirmed the Western position on German reunification and regretted Soviet refusal to discuss specific practical measures of disarmament.[15] Thus, as the summit drew near, the prospects for important agreement seemed slender so long as the U.S.S.R. remained committed to driving the Western Powers out of Berlin and to discussing disarmament in terms of general principles rather than concrete steps.

The Western outlook consistently remained, however, that the summit would be worth while. It would afford an opportunity for an exchange of views which would clarify each side's position; it might contribute to some reduction of tensions over Berlin and narrow some of our differences

[9] *Ibid.*, Jan. 11, 1960, p. 43.

[10] For background and text of agreement, see *ibid.*, Dec. 1959, p. 848, and Dec. 28, 1959, p. 951.

[11] For background and texts of final act and treaty, see *ibid.*, Dec. 31, 1959, p. 911.

[12] For text of Soviet note and U.S. reply, see *ibid.*, Jan. 1960, p. 7.

[13] For text of an address by Secretary Herter, see *ibid.*, Apr. 25, 1960, p. 635.

[14] For text of an address by Under Secretary Dillon, see *ibid.*, May 9, 1960, p. 723.

[15] For text of communique, see *ibid.*, May 23, 1960, p. 840.

on disarmament. It could be at least a small first step in a long process of improving Soviet-Western relations.

II. THE U-2 INCIDENT

On May 1 occurred the unfortunate failure of an intelligence mission. The U.S.S.R. at once seized on it to complicate the approach to the summit. With regard to the role of the U.S. Government in this matter, I cannot hope to improve on the lucid and straightforward account which the President gave to the Nation Wednesday night.[16] I will, therefore, not attempt to go into detail, although I am, of course, ready to answer questions concerning my responsibilities.

Here I would only like to reemphasize four central points which stood out in the President's account:

1. The U-2 program was an important and efficient intelligence effort. We knew that failure of any mission under this program would have serious consequences, but we considered that the great benefit derived justified the risks involved.

2. The decision not to suspend this program of flights, as the summit meeting approached, was a sound decision. Conditions at a later season would have prevented obtaining very important information. There is never a "good time" for a failure of an intelligence mission. We believed it unwise to lower our vigilance because of these political negotiations.

3. Initial statements by the U.S. Government properly sought first of all to protect the pilot, his intelligence mission, and everything connected with it that might still be kept secret. But when it became clear that plane and pilot were in Soviet hands, we believed the Congress and the American people should be given the facts. Thus, up to May 7, U.S. statements followed the general line of the cover story and thereafter were adjusted to the situation as it developed.[17]

4. Since the U-2 system had been compromised, it was discontinued as any other intelligence mission would be in such a case. Announcement of its discontinuance was withheld until the President could convey the fact personally in Paris.

[16] *Ibid.*, June 6, 1960, p. 899.

[17] For texts of U.S. statements, see *ibid.*, May 23, 1960, p. 816, and May 30, 1960, p. 851.

Based on these four points, I believe mos Americans will agree that the main course of ou actions, given what we knew at any particula time, was sound. In particular, I have doubt that any alteration in the language of U.S. state ments would have made any difference in th arbitrary Soviet demands which followed.

III. THE EVENTS IN PARIS

A. Narrative

I should like to give you an account of the majo developments at Paris.[18] I shall be as brief a possible, since the details have been widely publ cized. But I would like to tell you of those event which in my opinion had a determinant effe there and particularly those which influenced th decisions of the President.

On my arrival in Paris on Friday, May 1 there was already considerable speculation at th news that Mr. Khrushchev was arriving in Par on Saturday rather than on Sunday, the day o which the President and Mr. Macmillan were d to arrive.

Mr. Khrushchev's statement on arrival at Or Airport gave no indication of his subsequent pos tion. It was mild in character and conveyed th distinct impression that he would proceed with th summit conference despite the U-2 incident. Su sequent events showed that this was deliberate designed to conceal his real purpose.

On Sunday at 11 a.m., at his request, M Khrushchev, accompanied by Foreign Minist Gromyko and Marshal Malinovsky—which is itself an unusual procedure which I shall revert later—called on President de Gaulle at th Elysée Palace. During this meeting he left wi President de Gaulle a memorandum setting for the conditions which would have to be met by th United States before Khrushchev would be pr pared to attend a summit conference. The Fren delegation provided a copy of this memorandu to the American delegation early that afternoo The memorandum was subsequently presented b Mr. Khrushchev, without change, as the openi part of his statement to the four-power meeti on Monday morning, May 16.

[18] For texts of statements by President Eisenhower a the Western communique, see *ibid.*, June 6, 1960, p. 9

After visiting President de Gaulle Sunday morning, Khrushchev called on Prime Minister Macmillan at 4:30 p.m. on the same day and read the same statement of position to him.

The copy of the statement received from the French delegation was, of course, the subject of immediate consultation with the President and with members of the American delegation as to its significance and meaning. It was our general conclusion, subsequently borne out by the facts, that the position and totally unacceptable demands set forth in this document had been drawn up in Moscow prior to Mr. Khrushchev's departure. In this sense it represented a fixed Soviet governmental position from which even Mr. Khrushchev would not have the authority to depart while in Paris.

I might digress here to observe that it had been our experience at previous conferences with the Soviets, at least since the death of Stalin, that the Soviet representative, no matter how highly placed he might be, was bound by the collective decisions on basic policy matters made prior to his departure from Moscow. Any substantive changes in these positions apparently required reference back to Moscow before they could be undertaken.

I should like to emphasize the opinion which was thus unanimously arrived at in the American delegation, since it bore directly upon the position which the President took at the meeting on Monday morning.

It was out of the question, of course, that there should be any acceptance by the President of the humiliating and arrogant conditions of Mr. Khrushchev. We had very much in mind, however, the importance of showing the world that it was Mr. Khrushchev, and no one else, who was placing this summit conference in peril.

The President, therefore, decided before the Monday meeting that the proper course of action, consonant with the great responsibility which he bore and the seriousness of the issues which were to have been discussed at the conference, was for him not to engage in vituperation with Mr. Khrushchev but to demonstrate the restraint and dignity which was incumbent upon the office he holds and which befitted the leader of a great country. In connection with this decision, the President resolved to announce to the conference his previously taken decision to suspend further flights of U–2 aircraft over the Soviet Union.

Although the original intention had been to restrict the first meeting of the conference at the summit to the Chiefs of State and Heads of Government and their interpreters, the President, on learning that Mr. Khrushchev wished to bring Foreign Minister Gromyko and Marshal Malinovsky, asked Secretary Gates and me to accompany him to this meeting.

I do not need to describe this meeting in detail beyond saying that Mr. Khrushchev read a statement which, with interpretation, took fully an hour. He read this entire statement from a prepared text before him. The first part of this statement was the memorandum which he had left with President de Gaulle, plus certain additions which were in the same vein as regards the United States and which referred to Soviet willingness to hold a summit conference within 6 to 8 months. The major addition was the cancellation of the invitation to the President to visit the Soviet Union.

Apart from his statement, which was made public,[19] the President only once joined in the ensuing discussion—in order to make clear to Mr. Khrushchev and his colleagues that the suspension of the U–2 flights was not merely for the duration of the conference but for as long as he was in office.

The balance of the discussion at this meeting, which I should point out was the only one during the entire period in Paris at which the Soviets were present, was largely devoted to attempts by President de Gaulle and Prime Minister Macmillan to dissuade Mr. Khrushchev from the irrevocable step of publishing his abusive statement, whose unacceptable conditions would render impossible any conference at the summit, and to Khrushchev's adamant insistence that he would publish this statement and do so at a time of his own choosing. The meeting broke up on the basis of a suggestion by President de Gaulle that the conferees should reflect on this matter for 24 hours and then examine the situation.

This meeting completely confirmed our conclusion of the night before that Mr. Khrushchev was operating within the fixed limits of a policy set before his departure from Moscow. It is significant in this connection that the statement he issued later that day—Monday, May 16—which was identical with the one he had made at the conference, took no cognizance whatsoever of the dis-

[19] *Ibid.*, p. 905.

cussion at the conference and in particular of the President's statement concerning the suspension of U–2 overflights.

The rest of the proceedings in Paris were anticlimactic. It was apparent to all the Western representatives that there was no possibility of a summit conference short of a changed position on Mr. Khrushchev's part. On Monday Mr. Macmillan visited Mr. Khrushchev in a fruitless effort to persuade him to withdraw his impossible demands.

On that same day President de Gaulle decided, with the agreement of the President and Prime Minister Macmillan, to call a session of the summit conference for 3 p.m. on Tuesday, May 17, which was after the 24-hour recess which he had proposed on Monday. He sent invitations in writing to the three other participants. The President, in accepting, made clear his view that acceptance by the Soviet representative would mean that the Soviets had abandoned the demands which the President had previously found completely unacceptable.

Mr. Khrushchev did not show up at the appointed time for the Tuesday meeting. After a great deal of telephoning between the Soviet Embassy and the French Foreign Office it became clear that he was refusing to attend a summit conference and would only join in what he termed a preliminary meeting to ascertain if conditions could be created for a summit conference. By this reference to "conditions" he obviously meant the acceptance by the United States of all of the conditions he had set forth previously, and indeed he so stated in a written communication to President de Gaulle later that same day.

In the light of Mr. Khrushchev's refusal to attend the summit conference, except on terms which all three Western representatives deemed unacceptable, the three Western Heads of Government met briefly at 9:30 p.m. on May 17 to approve the final tripartite communique, a copy of which I should like to insert in the record.

Thus the summit conference was ended by Soviet intransigence before it began, without addressing the great international issues with which it was supposed to deal.

The following day, Wednesday, May 18, was marked by tripartite meetings of the Western Heads of Government and their foreign ministers to consider the situation. In these meetings we sought to analyze the reasons for the Soviet attitude, prospects for the future, and the measures that the three Western Powers might adopt.

This day was also marked by Mr. Khrushchev's press conference, which was fully reported by press, television, and radio. It was apparently an unparalleled performance of vituperation, abuse and loss of temper. It should be noted, however that despite the apparently uncontrolled nature of his remarks and actions at this press conference Mr. Khrushchev was very careful not to commit himself to any specific course of action in the international field.

B. Analysis

We have naturally given a great deal of thought to the reasons for this extraordinary action by the Soviets in coming all the way from Moscow to Paris for the sole purpose of sabotaging the conference.

I should like to say right off that there are many obscure aspects of this Soviet behavior and that we do not know all considerations and factors which went into its determination. We probably never shall. I hardly need to emphasize here to the members of this committee the complete secrecy in which decisions are arrived at in the Soviet Government and in the hierarchy of the Communist Party, which is the effective ruler of that country. It is only possible to try to deduce from Soviet actions, after they are taken, the consideration which brought them about. What I give you now therefore, is at best a tentative estimate of why the Soviet Union behaved as it did, an estimate which may have to be revised in the light of further information and future events.

There is one thing, however, that can be regarded as certain: This is that the decision to wreck the conference was made prior to Khrushchev's departure from Moscow. At no point during his stay in Paris—neither when he disclosed his true intentions to General de Gaulle at 11:00 a.m. on Sunday the 15th nor subsequently—did Khrushchev deviate one inch from his demand that the United States (1) denounce the overflights, (2) apologize to the Soviet Union, (3) punish those "directly responsible," and (4) promise not to repeat these flights. Neither the statement made by the President at the one meeting held on Monday nor the serious and responsible efforts of General de Gaulle and Mr. Macmillan in

bilateral talks with Mr. Khrushchev before and after the President's announcement of suspension of flights could persuade him to withdraw these unacceptable demands. Indeed, it is a logical deduction from his behavior in Paris that he had no authority to modify his position to any significant degree.

The fact that he was accompanied everywhere—and literally everywhere—by Foreign Minister Gromyko and Marshal Malinovsky is an interesting sidelight on this point. There is much speculation as to this change from his previous attitude during his visits both to the United States and France, when he insisted upon having meetings alone with the President and with President de Gaulle, with only interpreters present. The best guess as to the significance of this new factor is that, first, in view of the brutal and threatening attitude he adopted at Paris it was considered desirable to have some tangible evidence of Soviet armed strength in the person of Marshal Malinovsky; secondly, Gromyko and Malinovsky would be able to testify upon return to Moscow that he had stuck strictly to the agreed position.

It also seems certain that the decision to cancel the invitation to the President was made before Khrushchev left Moscow.

As to what led the Soviets to this extreme position in regard to the summit meeting which had previously appeared so much desired by Mr. Khrushchev, we enter into the realm of pure speculation, as I indicated earlier. The most we can hope to do in the absence of reliable information is to evaluate the elements and factors which appear to have entered into this decision. I shall try to list them briefly.

1. There was considerable indication, particularly during April, that Mr. Khrushchev had concluded that there was little likelihood of his having his way, particularly in regard to Berlin, at the summit. Evidence of Western determination and unity on this point in speeches and statements by Western leaders appears to have brought him to this conclusion. Thus in his Baku speech on April 25 he not only reiterated with the utmost finality his position on Berlin, including his intention to conclude a separate peace treaty with the East German regime, but he also began for the first time seriously to cast doubts upon the success of the summit. By this, of course, he meant success on Soviet terms.

2. Although the evidence is highly inconclusive, there are a number of indications that Mr. Khrushchev's conduct of Soviet foreign policy, particularly his overpersonalization and, in Communist eyes, overcommitment through personal visits to the U.S. and France, was arousing at least serious questioning if not opposition in the Soviet hierarchy. It would seem a logical deduction that some of the opposition to his conduct of foreign relations which was openly voiced by the Chinese Communists found a sympathetic response among some of his associates, and very probably among the Soviet military.

3. It was against this background that the U–2 incident occurred.

A combination of these three factors, in our judgment, is what resulted in the definite and brutal decision to disrupt the Paris conference. To determine how each of these factors should be weighed is, for the moment, beyond our reach.

The U–2 incident was most certainly seized upon and magnified beyond its true proportions as a justification for this decision. It is debatable whether it would have been possible for Mr. Khrushchev to devise another pretext for so radical and violent a position.

It might well be that a lack of success at the summit would have confronted Khrushchev with a much more difficult choice, from his point of view, than no conference at all. He and his associates may have therefore much preferred to avoid facing the consequences of failure of negotiation by the simple expedient of torpedoing the conference.

It may seem incredible to you that responsible leaders of a great power should have come all the way to Paris merely for the purpose of wrecking the conference, thereby incurring worldwide condemnation of the Soviet Union and enhancing the sense of unity and purpose among not only the Western Powers represented there but also the North Atlantic Treaty Organization and free nations everywhere.

I believe the answer lies in a basic miscalculation in Mr. Khrushchev's and the Soviet's thinking.

Mr. Khrushchev undoubtedly hoped—and this explains his early arrival in Paris—to divide the Allies and isolate the United States. He anticipated that the United States would refuse the demands he had set forth and that the conference would then collapse, with the United States bear-

ing responsibility for the rupture before world opinion.

His plans miscarried because our two allies stood solidly and loyally with the United States and refused to be parties to Mr. Khrushchev's scheme. The result, as the whole world knows, was that the position which Mr. Khrushchev brought to Paris resulted in the complete isolation of the Soviet Union rather than the United States and in placing the responsibility for the disruption of the conference squarely where it belongs—on his own shoulders.

This estimate of the reasons for Mr. Khrushchev's behavior is strongly supported by the attack which he made at his press conference on General de Gaulle and Prime Minister Macmillan for what he termed their lack of objectivity, lack of will, and subservience to the allied relationships—in other words, in plain English, for their solidarity with the United States, their loyalty to our common purpose, and their refusal to play the Soviet game.

IV. THE FUTURE

What conclusions should we draw for the future?

I believe the signs are that there has been as yet no radical alteration in Soviet policy, though we can expect the continuance of a propaganda effort designed to split off the United States from its allies. This conclusion is supported by Mr. Khrushchev's Paris statements, including those at his press conference. It is supported, somewhat more specifically and definitely, by the statements which he made in Berlin on his way home.

We must remember, however, that, given the nature of the Soviet state, the men who run it can meet in secret at any time and change existing policy without public debate or even foreshadowing any such change. It is for this reason that any statement about a phase of Soviet policy must be regarded as qualified, with no certainty that it will remain valid in the future.

Thus, though the world's hopes have been keenly disappointed by the fact that the summit conference was not held as planned, the signs so far are that the basic realities of the world situation have not been greatly changed. Whether this continues to be so depends, as I have indicated, on actions of the leading Communist countries.

Provisionally, however, I conclude that the implication for U.S. policy is that the main lines of our policy remain sound and should be continued. The lesson of Paris is that we should prosecute those lines with renewed effort. Proponents within the Communist bloc of an aggressive course must not be encouraged by signs of weakness on our part. Proponents of a peaceful course should be encouraged by our readiness to get on with outstanding international business in a sober and rational manner.

We must remain prepared to withstand aggressive pressures, not only in Berlin but also elsewhere. I trust that our evident readiness will deter such pressures.

Among the lessons of Paris, the most important for the free world, including ourselves, it seems to me, is fresh realization of the dangers we face and consequent need for closing of ranks and moving ahead with our own and our allies' programs for strengthening the free world. We came back from Paris with a keener sense of what it means to have allies, and I am sure that our alliances will take new life from this experience.

At the same time I would stress equally the need to expand imaginatively and generously our collaboration with the newly developing countries. On both accounts I hope the Congress will give wholehearted support to our mutual security programs as authorized by this committee, which are now more important than ever.

We must continue, as the President has said, to seek in a businesslike way to make progress on outstanding problems with the Soviet Union. We intend to go ahead with existing negotiations, to stand by our commitments, and to foster open communication and peaceful exchanges. Above all we shall not cease from the most determined patient, resourceful endeavor to find ways to bring the arms race under control and thus to meet the nuclear menace that hangs over mankind.

I believe in this period it is incumbent upon us all of us, to keep a calm and steady gaze on the world scene and to avoid actions, statements, and attitudes which might tend unnecessarily to increase international tension. If such an increase is to occur, it should be clearly the fault of the Soviets and we should not do them the favor of providing pretext for action by them which would have this effect.

We should not define as "hard" or "soft" our attitude or policy toward the Soviet Union. To do

so is not only to deflect our gaze from the grim reality that confronts us but even more to plunge us inevitably into fruitless and damaging domestic recrimination. We must now, as in the future, maintain a vigilant, calm, and resolute posture and, insofar as it lies in our power to do so, be accurate in our estimates and effective in our actions.

I would close in expressing the hope that we will not become so fixed in preoccupation with the Soviet challenge as to lose sight of our own constructive purposes—which are larger and more important than merely resisting or reacting to external threats. We have our own vision of the future toward which we want to see the world evolve. We have our own programs for helping to bring that future about—for holding high the light of freedom, for sharing its message and rewards with emerging nations, for trying to create an international community in which the rule of law will replace the rule of force. It is to these programs that our talents and energies should be rededicated in the uncertain times that lie ahead.

Security Council Rejects Soviet Complaint of U.S. Aggression

The U.N. Security Council convened on May 23 to examine Soviet allegations of "aggressive acts by the Air Force of the United States of America against the Soviet Union, creating a threat to universal peace." Following are statements made in the Council by U.S. Representative Henry Cabot Lodge, together with texts of a Soviet resolution rejected on May 26 and a four-power resolution adopted on May 27.

STATEMENT OF MAY 23

U.S./U.N. press release 3404

The United States has not committed any aggressive acts against the Soviet Union or any other country, either through its Air Force or through any other agency of the United States Government. And in the remarks which I am about to make I will try to show why my contention is true.

Now let me take up the Soviet representative's[1] main points. He asserts first that flights over the U.S.S.R. continue to be "the State policy" of the United States. This assertion is directly and, I fear, deliberately contrary to fact. Surely the Soviet representative knows this, because he was present when President Eisenhower in Paris on May 16 said:[2]

> . . . these activities had no aggressive intent but rather were to assure the safety of the United States and the free world against surprise attack by a power which boasts of its ability to devastate the United States and other countries by missiles armed with atomic warheads. As is well known, not only the United States but most other countries are constantly the targets of elaborate and persistent espionage of the Soviet Union.
>
> There is in the Soviet statement an evident misapprehension on one key point. It alleges that the United States has, through official statements, threatened continued overflights. The importance of this alleged threat was emphasized and repeated by Mr. Khrushchev. The United States has made no such threat. Neither I nor my Government has intended any. The actual statements go no further than to say that the United States will not shirk its responsibility to safeguard against surprise attack.
>
> In point of fact, these flights were suspended after the recent incident and are not to be resumed. Accordingly this cannot be the issue.

I will read that last paragraph once again:

> In point of fact, these flights were suspended after the recent incident and are not to be resumed. Accordingly this cannot be the issue.

Now Mr. Gromyko has just claimed, as does the Soviet memorandum,[3] that this is merely a "tacti-

[1] Andrei A. Gromyko, Soviet Minister for Foreign Affairs.

[2] BULLETIN of June 6, 1960, p. 904.

[3] U.N. doc. S/4315 and Corr. 1.

cal step," a "temporary suspension" announced with "the object of deluding world opinion."

Well, you have just heard the President's words yourselves. These flights were suspended after the recent incident and are not to be resumed. And let me say for the information of this Council that this decision was made before the President's departure for Paris and cannot be characterized in the way Mr. Gromyko has tried to characterize it.

Furthermore I am authorized to say that the United States is prepared to negotiate an open-skies treaty with the Soviet Union which would have continued force and effect and which would obviate forever the necessity of such measures of self-protection.

The U.S.S.R. asserts secondly, and I quote from its memorandum, that the United States has undertaken "flights inside the frontiers of the U.S.S.R. for aggressive purposes."

Now I realize that the term "aggression" has never been officially defined, but any commonsense definition of the term shows that the presence of a light, unarmed, single-engine, nonmilitary, one-man plane is not aggression. Yet this, Mr. President and gentlemen, this is what all the trouble in Paris and here at the United Nations is said to be all about—about this one plane.

Chairman Khrushchev said both in Moscow and Paris that he has known of these flights for a long time. These flights were not considered dangerous enough to complain about last year, when Chairman Khrushchev and the President met *privately*. Therefore it is hard to understand why such flights are suddenly described as aggressive and of urgent concern when Chairman Khrushchev met President Eisenhower *publicly*, ostensibly for peaceful negotiations. We can only speculate about Soviet reasons for increasing tension now by bringing this matter to the Security Council today.

Soviet Espionage Activity

Now, Mr. President, if we were to use the same reasoning which the Soviet Union has used, we could bring up as an aggressive act the presence of the Soviet vessel which was right off the shores of Long Island, right off Montauk Point here, a few weeks ago and which was deliberately interfering with vessels of the United States Navy. We could do that, but we will not do so.

We could, under the same interpretation of aggression, bring up as an aggressive act the re peated violations of our American *ground* spac and the ground space of many other countrie represented here by Soviet spies. We could, fo instance, enter in detail into the cases of the fol lowing illustrative list of spies, all of whom ar among those unmasked in the United States i the period of time which has elapsed since th death of Marshal Stalin. I will read a few o these names:

Amosov, Igor Aleksandrovich—he is a com mander
Pivnev, Leonid Yegorovich—lieutenant colone
Bubchikov, Ivan Aleksandrovich—colonel
Krylov, Yuriy Pavlovich—major
Kurochkin, Nikolay Ivanovich
Molev, Vasiliy Mikhaylovich
Kovalev, Aleksandr Petrovich
Martynov, Maksim Grigoryevich—he is colonel
Petrov, Viktor Ivanovich
Gladkov, Boris Fedorovich—he is a captain
Kirilyuk, Vadim A.

Let me point out that this agent Kirilyuk wa actually caught in an act of espionage seeking dat on cryptographic machines during the visit o Chairman Khrushchev to the United States—as matter of fact, at the very moment that Chairma Khrushchev was speaking from the rostrum o the General Assembly about disarmament.

We might even make something of the fact tha at least one of the agents whose names I hav listed was getting photographs of United State strategic places, and, may I say, these photograph were taken at heights far lower than 65,000 feet

We understand also that at least 360 Russia espionage agents have been convicted in differen countries of the free world. All of these convic tions were obtained under free court system which means that ample proof of the charges wa made.

The number of these convictions represents onl a minor proportion of those cases in which Sovie espionage activity has been actually involve We remember Fuchs, Guzenko, Petrov, and Gubi chev. We do not need to recall the case of Colone Rudolph Ivanovich Abel right here in New York

We shall not dwell on these things or all th

[4] For a memorandum from Mr. Lodge to the Secretar General giving detailed information on the list of Sovi espionage agents, see U.N. doc. S/4325.

names of spies caught while Marshal Stalin was in power or bring any of them up, using the logic which the Soviet Union has used, as aggressive acts.

But, Mr. President, what we do strongly deplore is the refusal of the Soviet Union to accept the President's open-sky plan in 1955:[5] its refusal to heed General Assembly resolution 914 of the 10th session calling on it to permit aerial inspection;[6] its rejection of the Arctic aerial inspection zone in 1958, which all 10 other members of the Security Council voted for;[7] and its refusal to consider technical measures to prevent surprise attack at the conference in the fall of 1958.[8] Now those are the things which we do deplore.

Soviet Use of Force and Threats of Force

Just contemplate the situation for a moment. Here is a Government, well known for its expansionist proclivities and armed to the teeth, which has repeatedly in contravention of article 2, paragraph 4, of the charter, which is the article which forbids both the use and the threat of force, and this Government has repeatedly used force and threats of force in its relations with other sovereign states. Now that is a clear charter violation.

When such a government insists on secrecy, it is in effect also insisting on preserving its ability to make a surprise attack on humanity. If the free world failed to attempt to protect itself against such a danger, it would be inviting destruction. If it should ever be accepted that the Soviet Union can maintain a double standard whereby they have thousands of spies and subversive agents everywhere while protesting one single harmless observation flight, the free world would surely be in great and peculiar danger.

This afternoon the Soviet representative has had something to say about international law. One may ask where the Soviet Union's concern for international law was when Communist armed forces invaded the Republic of Korea in 1950 or where that concern was when the Soviet Union forcibly and brutally snuffed out the independence of Hungary in 1956.

[5] BULLETIN of Aug. 1, 1955, p. 173.
[6] For background and text of resolution, see *ibid.*, Jan. 1, 1956, p. 55.
[7] For background, see *ibid.*, May 19, 1958, p. 816.
[8] For a Department statement, see *ibid.*, Jan. 5, 1959, p. 13.

Illegal uses of force like these violating international law and the solemn treaty obligations of the United Nations Charter cannot fail to make the rest of the world apprehensive for its safety. And this was the background against which measures were taken to try to secure information in advance of possible further Communist assaults.

Mr. President and members of the Council, that is the heart of the matter, and we shall not get very far here if we dwell on the symptoms of the disease and neglect the disease itself; and the disease is the danger of wholesale sudden death by surprise attack.

At an appropriate future time the United States intends to make proposals to get at the heart of the matter, and we hope that our proposals will appear constructive and that discussion of them will tend to reduce world tension.

The United States remains committed to seek a solution of international problems through negotiations rather than force. We have said, and we repeat, that we are willing to negotiate at any time and in any place and in any manner which offers hope for agreement. We shall continue to work for progress toward the goals of general and complete disarmament with effective international controls. We will continue, Mr. President, to work toward an agreement on cessation of nuclear weapons tests. We shall continue to work toward international cooperation in the peaceful uses of outer space.

These, Mr. President, are a few of the things the United States is prepared to do. We shall cooperate with other members of the Council in seeking to create a better international atmosphere in which mankind will be freed from the specter of war.

FIRST STATEMENT OF MAY 26

U.S./U.N. press release 3407

Let me take a few moments to restate some of the principal elements of the United States position.

Neither the United States Air Force nor any other agency of the United States Government has engaged in any aggressive acts against the Soviet Union. Indeed, the Soviet Union has not made its case. A mere assertion has no probative value. It is clear that the Soviet Government

knows that the incident of which it complains was not aggressive, and it is not believable that Mr. Gromyko with his long experience in this kind of work would not have submitted proof, if any proof there were.

May I add that Mr. Gromyko and, I believe, Chairman Khrushchev know very well that there is not the slightest chance of an aggression by the United States against the Soviet Union. As a matter of fact such a thing would be impossible under our system. And why they wish to precipitate a discussion such as this in which they try to make the United States the whipping boy is a mystery to me.

Now, Mr. President, we deplore also the threats of force and threats of nuclear devastation which have been made by the Soviet Union against 22 countries in 1 year. These threats, added to the record of Soviet actions and the closed and secret character of the Soviet Union, have understandably made the world anxious about its safety.

We also point out that the Soviet Union has a vast network of spies and subversive agents all over the world. Its conduct in this country, as shown by the cases of 11 Soviet spies which I cited on Monday, speaks for itself. This record makes it particularly unsuitable for the Soviet Union to adopt a "holier than thou" attitude and to criticize others. The truth is they do not come into court with clean hands.

U.S. Accusations Not Fanciful

Then, Mr. President, the representative of the Soviet Union has characterized the data on Soviet intelligence operations which I gave on Monday as "fanciful." Well, it so happens that I have here today a concrete example of Soviet espionage so that you can see for yourself.

Let me say that some time ago a hand-carved, wooden replica of the Great Seal of the United States was presented by Russians to the American Ambassador in the Soviet Union, and it was hung up in his office right in back of the Ambassador's desk. Then a clandestine listening device was discovered inside of this replica of the Great Seal of the United States. At the time of discovery there was a plaster-of-paris ring around the edge of the Seal, which joined the front and the back so that it looked as though it was a solid piece of wood. It was not until the detection of the clandestine device that this ring was broken off, revealing that the Seal was made in two pieces and de signed to conceal technical listening equipment.

Now, here is the Seal. I would like to just show it to the Council. It is quite a beautiful piece o carving. And you will note how it opens up int two pieces. Here is the clandestine listening de vice. You can see the antenna and the aeria and it was right under the beak of the eagle. might add that it is really quite an interestin device.

I might add that in recent years the Unite States has found within its embassies, mission and residences in the Soviet Union and the sate lite countries well over 100 technical clandestin listening devices. Twenty-five of these were ur covered in United States offices and residences i Poland. Our latest discoveries have been, I migh say, within the past month.

I just say that to show that our accusations o Soviet espionage are not "fanciful."

Soviet Propaganda Buildup

Then we submit that the Soviet Union, for re sons which remain undisclosed, has deliberatel seized on the U–2 incident, magnifying it out o all proportion, and has used it as a pretext to abo the summit meeting, to which so many had looke with hope for serious discussion of internation problems. The fact that the head of the Sovi Government publicly declared that he had know of such flights for a long time and yet did n mention them to President Eisenhower last fa on his visit to the United States brings one irr sistibly to this conclusion. Mr. Gromyko, let n say, this morning completely failed to explai as Chairman Khrushchev did previously, abo the torpedoing of the summit meeting and the fai ure to discuss these matters last September. Wl the Soviet Union, after speaking of friendship a peaceful coexistence for the last year, is sudden beating the drums of the cold war I do not kno But surely people all over the world must a themselves this question.

Note well that the propaganda buildup to blar a summit failure on the United States began *Pravda* and *Izvestia*, the two leading papers the Soviet Union, long before the plane incide All through March and April the United Stat was the target of a mounting barrage of scu rilous cartoons and articles in those two papers which contrasts their omission of all such m

terials in the months preceding the summit meeting of 1955. The significance of that fact in a country where the press is an integral instrument of government is clear.

The President in Paris on May 16 revealed that the flights had already been suspended and were not to be resumed. Yet the Soviet Union has continued to exacerbate relations and evinces an apparent tendency to distort the President's statement, as if they wished he had not made it.

U.S. Prepared To Negotiate Open-Skies Treaty

I was also authorized here, as I said in my opening statement, to declare that the United States was prepared to negotiate an open-skies treaty, with all of the continuing and binding force and effect which that would represent, which would obviate forever the necessity of such measures of self-protection. That offer still stands and we will continue to make every effort to reach such an agreement. As President Eisenhower said last night,[9] "At an appropriate time America will submit such a program to the United Nations, together with the recommendation that the United Nations itself conduct this aerial reconnaissance. Should the United Nations accept this proposal," said President Eisenhower, "I am prepared to propose that America supply part of the aircraft and equipment required."

Mr. Gromyko asked this morning what the reaction of the United States would have been if a Soviet plane had been caught flying over the United States. The answer is very simple. The United States in effect invited Soviet planes to do this very thing when President Eisenhower made our open-skies proposal in 1955, which would have had reciprocal flights by American planes over the Soviet Union and Soviet planes over the United States.

Mr. President, American policy is to support the charter of the United Nations. It is also our policy to work with the Soviet Union and other countries for effective disarmament. It continues to be our policy to seek early agreement on a treaty for the discontinuance of nuclear weapons tests. In a like spirit we are anxious to advance the work of international cooperation in the peaceful uses of outer space. We intend to work steadfastly toward these goals.

As the President said last night,

> . . . we and all the world realize, despite our recent disappointment, that progress toward the goal of mutual understanding, easing the causes of tensions, and reduction of armaments is as necessary as ever.

The Soviet Union, which complains of the symptom, has refused to deal with the disease, which is the danger of sudden death by surprise attack. The Soviet Union, which professes to believe in "peaceful coexistence," has refused to cooperate in peaceful measures of international protection which would assure equitably to them as well as to us that no one was making preparation for sudden assault.

Mr. Gromyko totally ignores this morning the distrust which Soviet secrecy causes—and which can only be overcome by continuing negotiations instead of breaking them off.

In English common law there is a principle which says, "He who seeks equity must do equity." I think that idea illustrates in a flash the weakness of the Soviet case.

To sum up, the Soviet draft resolution[10] charging the United States with aggression is without foundation. The resolution would also make no contribution to a solution of the serious problems which underlie the world situation today. The United States will therefore vote against this draft and trusts that it will be defeated by a large vote.

[After an intervention by Mr. Gromyko, Mr. Lodge made the following comment.]

I am constrained to say that I do not think the representative of the Soviet Union was paying very close attention.

I did not produce any pictures. I did not produce any works of art. I produced a wooden carving of the Great Seal of the United States which was given by some Russians to the American Ambassador to the Soviet Union and which hung in his office behind his desk and which contained an electronic device which made it possible for persons on the outside, possessing a certain type of technical device, to hear everything that went on.

I produced that as a piece of evidence that is direct, fresh, authentic evidence to show the effectiveness and the thoroughness of Soviet espionage. It is not a picture. It is not a work of art. It is not out of any play. It is out of the Soviet Union.

[9] *Ibid.*, June 6, 1960, p. 899.

[10] U.N. doc. S/4321.

SECOND STATEMENT OF MAY 26

U.S./U.N. press release 3408

The United States welcomes the initiative taken by four members of the Council in proposing this new matter. It is a responsible action.

Since the Second World War the world has lived in a period of constant tension due to the fear of war. Recently mankind had come to hope that negotiations by the Heads of Government might to some extent lessen these tensions. In the past few days that hope was suddenly dashed to the ground.

The four-power initiative gives the Council an opportunity to reverse the trend toward increased international tensions. The Soviet charge, the discussion of which the United States favored in order to expose its fallacies, would have damaged our efforts for peace. The four-power item, on the other hand, fortifies them.

The pending resolution [11] is a call to pick up the pieces and to go back to work.

It is elementary that members of the United Nations forgo action which might increase feelings of international insecurity. Beyond avoiding such acts, the next objective must be to hold those gains which were made before hopes for a serious meeting were shattered. In this connection I would like to repeat a statement which I made to the Council a few days ago:

> We shall continue to work for progress toward the goals of general and complete disarmament with effective international controls. We will continue . . . to work toward an agreement on cessation of nuclear weapons tests. We shall continue to work toward international cooperation in the peaceful uses of outer space.

And I added:

> . . . we are willing to negotiate at any time and in any place and in any manner which offers hope for agreement.

As President Eisenhower made clear last night, we will continue our efforts to promote exchange of people and ideas with the Soviet Union. The recent exchanges of citizens and leaders from many walks of life has broadened public knowledge of our two countries. We believe this process of getting to know each other has only begun and should be broadened. We continue to work for open societies throughout the world.

This four-power resolution looks in the right direction—to the future. It does so constructively—by stressing the importance of the Soviet Union and the United States getting back to work on such pressing matters as disarmament, nuclear test suspension, and outer space.

It would be a pity if these meetings of the Security Council had no affirmative result. The four-power resolution, if adopted, would give the world new hope. The United States will vote for it.

[11] U.N. doc. S/4323.

STATEMENT OF MAY 27

U.S./U.N. press release 3409

Yesterday the Soviet representative declared that President Eisenhower in his speech of Wednesday night said that the United States—and I now quote from Mr. Gromyko's speech of yesterday,

> . . . that the United States intended to continue the policy of military espionage and sabotage against the Soviet Union, a policy of dangerous provocations which indeed, place mankind on the brink of war.

Mr. President, that is what the representative of the Soviet Union, on his authority as spokesman here for the whole Soviet Government—for Chairman Khrushchev and the whole Soviet Government—that is what he said about Dwight D. Eisenhower, whose love of peace is a household word throughout the world.

Now, there isn't any doubt that he said it. I read it in the text and then I checked on the recording, and that is what he said.

Now, Mr. President, any honest reading of the President's speech of last Wednesday night shows that he said no such thing. For one thing, the United States has never engaged in sabotage, and Mr. Gromyko cannot cite one instance—cannot cite one instance of sabotage by the United States. The United States has also never engaged in act of aggression, and Mr. Gromyko's resolution to that effect was soundly rejected by the Council yesterday.

The United States, in common with many other countries, tries to get information, and no war has ever been made to break out because of attempts to get information. The structure of the world is not perfect, but it is not so fragile that war can be made to break out because of attempts to get information.

Please let us use words accurately and in a man

ter of this importance call things by their proper names.

Now, of course, Mr. Gromyko knows all this just as well as I do. Why does he therefore say the reverse? Why does he continue to talk as though he regrets President Eisenhower's statement stopping the flights, because that is how he has been talking?

Well, obviously it is because he has an ulterior motive. For some reason emanating from the obscurities of Soviet internal politics he wants to have a pretext for a new zigzag in Soviet foreign policy.

It is said of Communist agitators that nothing succeeds like failure. In other words, they must have a grievance as a rallying point and as a pretext for what they do. You give a Communist agitator what he wants, and he loses his pretext, and he loses his rallying point. I suspect that it is rather in this spirit that Mr. Gromyko appears to regret President Eisenhower's statement ending the U-2 flights.

I am sure this must be the explanation of Mr. Gromyko's astounding declaration about President Eisenhower yesterday. The only other possible explanation for his implication that President Eisenhower places us on the brink of war is that Mr. Gromyko has taken leave of his senses, and I do not consider that this has happened.

But certainly all these phrases about "Hitlerism," "imperialism," and the "brink of war" cannot be taken at face value. There is a hidden meaning. Some sort of game is being played here. In this game Mr. Gromyko wishes the pending resolution, introduced by Argentina, Ceylon, Ecuador, and Tunisia, to be a pawn. He sees in it something which moves in the direction of good relations and of easing tensions. Accordingly, Mr. Gromyko offers three amendments [12] which are obviously designed to turn the four-power resolution from the constructive document that it is into another condemnation of the United States. This is deplorable and reprehensible action on his part.

The proposed Soviet amendments are contrary to the declared intentions of the four sponsors. We hope the Council will reject them.[13]

SOVIET DRAFT RESOLUTION [14]

The Security Council,

Having examined the question of "Aggressive acts by the Air Force of the United States of America against the Soviet Union, creating a threat to universal peace",

Noting that violations of the sovereignty of other States are incompatible with the principles and purposes of the Charter of the United Nations,

Considering that such actions create a threat to universal peace,

1. *Condemns* the incursions by United States aircraft into the territory of other States and regards them as aggressive acts;

2. *Requests* the Government of the United States of America to adopt immediate measures to halt such actions and to prevent their recurrence.

FOUR-POWER RESOLUTION [15]

The Security Council,

Mindful of its responsibility for the maintenance of international peace and security,

Noting with regret that the hopes of the world for a successful meeting of the Heads of Government of France, the United Kingdom, the United States of America and the Union of Soviet Socialist Republics have not been fulfilled,

Considering that these developments have caused great disappointment and concern in world public opinion,

Considering also that the resulting situation may lead to an increase of international tensions likely to endanger peace and security,

Being convinced of the necessity to make every effort to restore and strengthen international good will and con-

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[12] The Soviet amendments (S/4326) read as follows:

1. Insert the following after the first preambular paragraph:

"*Considering* that the incursion of foreign military aircraft into the territory of other States is incompatible with the principles and purposes of the United Nations and constitutes a threat to peace and international security".

2. Add the following words to the end of operative paragraph 2:

". . , including the dispatch of their aircraft into the airspace of other States".

3. Redraft operative paragraph 3 to read as follows:

"*Requests* the Governments concerned to continue their efforts towards the achievement of general and complete disarmament and the discontinuance of all nuclear weapons tests under an appropriate international control system as well as their negotiations on measures to prevent surprise attack".

[13] Paragraphs 1 and 2 were rejected on May 27; the U.S.S.R. did not press for a vote on paragraph 3.

[14] U.N. doc. S/4321; rejected by the Council on May 26 by a vote of 7 to 2 (U.S.S.R. and Poland); Ceylon and Tunisia abstained.

[15] U.N. doc. S/4328(S/4323/Rev. 2); adopted by the Council on May 27 by a vote of 9 to 0; the U.S.S.R. and Poland abstained.

fidence, based on the established principles of international law,

Being especially aware of the mounting danger of the continuation of the armaments race,

1. *Recommends* to the Governments concerned to seek solutions of existing international problems by negotiation or other peaceful means as provided in the Charter of the United Nations;

2. *Appeals* to all Member Governments to refrain from the use or threats of force in their international relations; to respect each other's sovereignty, territorial integrity and political independence; and to refrain from any action which might increase tensions;

3. *Requests* the Governments concerned to continue their efforts to achieve a constructive solution of the question of general and complete disarmament under effective international control in accordance with resolution 1378 (XIV)[16] of the General Assembly and the discontinuance of all nuclear weapons tests under an appropriate international control system as well as their negotiations on measures to prevent surprise attack, including technical measures, as recommended by the General Assembly;

4. *Urges* the Governments of France, the United Kingdom, the United States of America and the Union of Soviet Socialist Republics to resume discussions as soon as possible and to avail themselves of the assistance that the Security Council and other appropriate organs of the United Nations may be able to render to this end.

Technical Assistance to Cuba To Be Terminated in 180 Days

Department Statement[1]

The American Embassy at Habana yesterday [May 26] delivered a note informing the Government of Cuba that the Mutual Security Act of 1960 provides that no assistance under the act be given to Cuba unless determined by the President to be in the national and hemispheric interest of the United States. The President on May 14, 1960, determined, as authorized under the act, that the orderly termination of the technical assistance program in Cuba including the transfer of project functions and responsibilities to Cuban technicians required that assistance to Cuba be continued for no more than 180 days. Assistance to Cuba, as affected by this determination, consists solely of technical cooperation and is limited, at the present time, to activities in agriculture and civil aviation.

[16] For text of resolution as adopted by Committee I on Nov. 2, 1959, see BULLETIN of Nov. 23, 1959, p. 766.

[1] Read to news correspondents on May 27 by Lincoln White, director of the Office of News.

First Anniversary of Death of Mr. Dulles

Statement by Secretary Herter

Press release 278 dated May 24

On the first anniversary of the death of a great statesman, John Foster Dulles, we in the Department of State and in our Foreign Service throughout the world honor his memory. His wise policies have continued to serve us. His sound principles have continued to guide us. The quest for peace with justice to which he dedicated himself to the last will go on. Today with freedom-loving peoples everywhere I pay tribute to a man who devoted a lifetime to the service of his country.

U.S. Gives Grain to Libya

Press release 289 dated May 27

An additional grant of U.S. surplus grain, totaling 50,000 metric tons, has been made available to Libya to help alleviate a threat of famine. The gift, comprising 30,000 tons of barley and 20,000 tons of wheat, is for the relief of needy persons in the Libyan provinces of Tripolitania, Cyrenaica, and the Fezzan. Some of the grain will be used as livestock feed. A critical shortage of grains, ranging as high as 50 percent of requirements in Fezzan, has developed as a result of severe drought conditions, which have prevailed for nearly 2 years.

The grant was made under authority of title II, Public Law 480 (Agricultural Trade Development and Assistance Act), which provides that the President may furnish emergency assistance on behalf of the people of the United States to friendly peoples in meeting famine and other urgent relief.

The Commodity Credit Corporation will make available the surplus agricultural commodities. The International Cooperation Administration will pay the ocean freight charges. The Government of Libya will pay the costs of discharge, inland transportation, and distribution.

During 1959 and the early part of 1960 other grants of feed and wheat amounting to 71,000 tons were made available to Libya to relieve shortages created by drought.

Exhibiting America's Cultural Ideals Abroad

by Robert H. Thayer[1]

You have asked me to come here today and speak to you on the subject of "The Dilemma of Man in the Mid-20th Century." I felt honored by your invitation but was both startled and worried by the cosmic implications of my assignment. First of all, I am afraid that I have not the universal mind nor the cosmic conscience required to treat this subject in the way it ought to be treated, and so I shall have to approach it in simple mundane terms. Secondly, I am disturbed at the use of the word "dilemma." It is a word that I would prefer to avoid and speak to you instead about problems or alternative courses of action, to use a bureaucratic phrase.

I am not at all sure that we are faced with a dilemma. If there is a dilemma facing mid-20th century man, I am afraid I am not capable of perceiving what that dilemma is. Neither, however, am I prepared to state definitely that there is no dilemma facing man in this age in which we live. A dilemma, as you know, is a situation in which two alternative courses of action are possible, both of which are unsatisfactory. Without any hesitation I can say that frequently in my personal life I, as I am sure is true of all of you, have been faced with dilemmas. But as I look back I realize that we are seldom confronted with dilemmas when moral issues are involved, for then the significance of the alternatives that lie before us is clear. We do believe that we have freedom of choice, we do believe in moral values, and we have ever with us concepts of good and bad and heaven and hell.

I prefer therefore not to think of the present plight of man in the light of the word "dilemma." I cannot take such a pessimistic view of human life and of the world crisis in which we find ourselves. I believe that on the great issues of this age we have freedom of choice and that we are not on those issues confronted with alternatives that are equally unfortunate. Also, on some issues which appear as present dilemmas, time may prove that what we thought was a dilemma really was not and that the action taken, though seemingly unsatisfactory, has proved both satisfactory and good. As must already be painfully evident to you, I am afraid I am an optimist.

Proper Use of Freedom of Choice

To me our great problem today is that we as a nation with freedom of choice before us have not always made the choice that is required of us—required of us in the midst of this crisis of which we are a part. I am not sure that all of us have been really willing to face up to the true meaning of the crisis, face up to our obligations and responsibilities, which has to be done before we can make a free choice. I think that we have preferred to play ostrich, preferred to consider that we are confronted with a dilemma, and have shifted back and forth and so have been impaled first on one imaginary horn and then on the other imaginary horn, when there has really been no need to be impaled at all. Though the horns of our imaginary dilemma are also imaginary, they are sharp indeed.

Now, ladies and gentlemen, this matter of exercising intelligently the privilege of free choice is not just a matter of theology, but it does seem to me that it lies at the very heart of the problem of democracy. Democracy means freedom, and freedom of choice is a means of maximizing freedom, of increasing the number of the alternatives that lie before us. Surely the more alternatives

[1] Address made before the Adult Education Association of Michigan at East Lansing, Mich., on May 12 (press release 257 dated May 11). Mr. Thayer is Special Assistant to the Secretary of State for the Coordination of International Educational and Cultural Relations.

we have the greater is the freedom and the fewer the chances of being confronted with frustrating dilemmas.

We have probably carried our concept of freedom further than any other nation of the world. We have done this without becoming anarchistic and have woven a social fabric that is, indeed, substantial.

I have just come from a conference at Harvard University, which was sponsored by the Department of State, on the cultural relations of the United States and the Soviet Union. At that conference I heard our concept of freedom discussed. One member of our conference thought that it was one of the glories of our country that he, a public figure, could take exception to the position of his Government on its failure until recently to make clear its attitude toward South Africa and remain free and completely unmolested.

At the same conference there was much discussion of the relations of the universities to the Government in the conduct of the exchange program. Academicians of great distinction defined the function of the university in almost the monastic terms of the 13th century. The university, we were told, exists to increase and diffuse knowledge and no more. From this position the university becomes remote from political responsibility and all control by Government. I am not sure that I can wholly agree with the definition of the function of the university given us, for by that definition I would assume that no land-grant university can really call itself a university, and also today the word really should not be "uni-" but "multi-versity" if we seek to view our institutions of higher learning for what they are. But no matter. My point is that the university today can state that it is a peculiar institution and will only do those things that the Government may wish it to do if they are consistent with the purposes of the university, however defined. This is a high concept of freedom. Though some of us do not believe that the modern university is quite the monastic world as defined, none would challenge—and none could challenge with authority—the right of the university to be its peculiar self and to meet the Government on its own terms.

The universities say they wish to be partners with the Government in international educational and cultural exchange. In how many countries of the world can universities inform their government that they wish to be partners in an enterprise and, I might add, partners largely on their own terms? And then, more largely, in how many countries of the world can and would a Secretary of State in charge of foreign affairs, as is Mr. Herter, call a conference with the full agreement of the head of the nation to discuss freely and openly with distinguished citizens outside of government such an important political problem as our cultural relations with the Soviets? I wish that all of you could have participated in the free intellectual inquiry into the nature of our society, the structure and significance of Soviet society, and the impact of our cultural relations with that society that continued for most of 2 days. In many ways the freedom of our society, the rights of individuals, the rights of institutions, above all, the right of free inquiry was epitomized at our Harvard conference.

What meaning does all this question of the proper use of the unusual freedoms with which we are endowed have for you and for others so deeply concerned with our international programs? I will begin with several simple questions to which there are no simple answers.

What is, and ought to be, the concern of each and every American with the less favored nations of the earth? What is, and ought to be, the concern of those most particularly occupied with education, for in education we train the young and the adult to citizenship?

Are we, in our foreign programs, exhibiting clearly and effectively the high ideals of this nation? Are we projecting abroad the total image of the culture of America?

And if we are not, why not, and what are the ideals of our culture that we should be exhibiting and by what means?

Economic Development Not Enough

I suspect that we are not exhibiting the total image of the culture of America nor the ideals of our culture, if I understand what those ideals are. Since the end of the war we have moved from crisis to crisis and done much that is good in the world, but there has been little time for deep thought, for the development of needed theory and assumption, for becoming conscious not so much as to our position in the world, though that is important, but conscious of the needs of other countries—their real needs, not just their assumed

needs. We have found ourselves acting in reaction to sudden situations, not striking out boldly on our own initiative. We have chosen hastily in our foreign work, picked up quickly the tools at hand, and we have not had the time to shape an instrument worthy of the great enterprise on which we are embarked. The tools which we have picked up and which lay so close to hand are much the same tools as the Soviets have been using, tools which they may use better than we; that is, tools which can be more immediately effective when used with totalitarian authority and a large disregard of the moral value of human life.

The tools to which I refer are those which concern raising material standards, the tools of economic development alone, without a due regard for political and social value. Of the need in every part of the world for economic development there can be little question; and this need is just as pressing today as it ever was, and to cut the economic assistance we are giving to foreign nations would be foolhardy indeed. But the economics of a nation—national accounts—cannot be said to be the whole nation. In Rostow's[2] of MIT theories as to the "takeoff point" for self-sustained economic development there is little room for human life. The political, which expresses so much of human life, so much that deals with the immaterial, finds a cold welcome in the theories of the pure, rigid economist.

And so I ask you, have we not overemphasized the scientific and technical aspects of our great success by neglecting the other parts of the culture of America, and have we not exhibited to the so-called underdeveloped countries our technology in the raw in the misguided hope that technology, economic development, and scientific advance would alone give them strength and stability? Man's problem is, surely, basically political, and I therefore ask how we can hope to assist other nations to solve their political problems through only economic means.

And speaking more directly to this audience, with its regard for education, I ask you whether we can afford in our great economic programs to treat education as subordinate to economic development. Education is certainly required for economic development and for all growth and development, but surely education is not just technical and a handmaiden to economic development. And though we must have training programs, education is more than training.

Sir Ernest Barker has written that "Education is a matter of social theory, of grasping and comprehending the purposes, the character and needs of society and the state and of discovering the methods by which the young can be trained to achieve these purposes, to maintain and even improve that character and to satisfy those needs." It does seem to me that in this definition of education we can see the problem of our nation and begin to come to grips with what is required of us. How can we—better still, how can you as persons concerned with education, and specifically adult education, which is so important in many foreign countries—work toward projecting abroad an accurate image of the ideals of our culture, which are not just our ideals but those of the Western World? How do we train people not just to be skillful government administrators but teach them of the long growth of concepts of public administration? Public administration is not just a matter of the efficient preparation of such a thing as a budget but involves a whole concept of the state; and this image of the meaning of democracy is more important for a competent public administrator to grasp, to my mind, than efficient work on the budget. How do we give these people of foreign lands with whom we are now, and forever more will be, associated the concept of the importance of the rule of law as we know it? How do we help them in a transition from tribal-custom law to that modern law, required for the operation of a modern state, which also preserves freedom?

I have given you but an example or two. Here is where we need to face realistically the basic problem and to make an intelligent and meaningful choice. We have drifted into exhibiting to our friends only the practical, technical side of our society, and it is now time that we choose to exhibit by all possible means the ideals of our society as a whole that made our technical progress possible and the social fabric which is ours.

I have been emphasizing the educational problem of other lands and of the need for us to exhibit to them the ideals of our society; but let us not forget that here at home we have our own important educational problem. We need increasingly to give reality to our ideals here at home and to be sure that we live up to them. As we seek to

[2] Walt Whitman Rostow, professor of economic history, Massachusetts Institute of Technology.

raise the standards in other countries we will most certainly be raising our own. We need, furthermore, to review our own educational efforts to be sure that they are adequate to introducing Americans to this mid-20th century world of ours, and in so doing we will equip America for the enormous task abroad.

Role of Academic and Cultural Community

What is your role in this? And in answer to that I wish to quote the President's letter to Dr. Nathan Pusey of Harvard on the occasion of our conference last week:

> Officials in the Government, faced as they are with the daily necessity of making decisions and taking action, find it difficult at times to find the opportunity for leisurely and objective contemplation of the problems confronting our society. It is important that we do what we can to overcome this obstacle, that we take stock of ourselves from time to time to see where we are going, and that we search our minds for the assumptions and ideas that should direct future action.

What is my role as director of the cultural affairs of the Department of State and coordinator of cultural activities of other Government agencies? My role is not only to see that proper emphasis is given to projecting the *whole* of the image of America abroad but to stretch out the hand of invitation to the academic and cultural community of the United States for active and energetic assistance in projecting this accurate and complete image.

The Government cannot alone project the image of American culture abroad. It must be done by American citizens and American institutions in partnership with Government, and this partnership must be a real one in which there is a frank discussion of our objectives and a complete meeting of minds on how we are to attain them. My job is to come before you as I am tonight and ask the full cooperation of the academic community in redressing the balance of our efforts to help the new nations of the world and in concentrating on revealing to them through our educational processes the fundamental cultural values of our country as well as the technical progress we have made.

I have just spent 3 weeks in the vast continent of Africa. The peoples of Africa are calling to this country for assistance in setting up a system of education which will equip them with the manpower to establish sound social, political, and economic systems and enable them to take their rightful places in the family of free nations. We have a rare opportunity to answer this call; but we must answer it by giving to Africa examples of the basic freedoms and moral values on which this nation was founded and let them build thereon as our ancestors did the basis from which a normal economy and high technical standards can naturally flow.

The Government of the United States is seeking ways and means to enlist the support of the academic community in the Government's effort to assist the new countries of the world. We do not wish to impose our system upon them, but we wish to show them our basic freedoms, our spiritual and moral values, to show them not only part of our heritage, not only the technical and material progress that we have been able to make, but to show them the whole of the image of America. To do this we need the wholehearted partnership of the academic community, we need a closer relationship between the Government and the universities, a relationship built not on the stilted legal phraseology of contracts but on the mutual understanding of each other's problems that comes as a result of constant communication and discussion at all levels. If we can achieve this we can make a substantial contribution to the status of mid-century man in world affairs and can for a long time avoid the use of the word "dilemma."

U.S. Sends Relief to Victims of Disasters in Chile

STATEMENT BY PRESIDENT EISENHOWER

White House press release dated May 27

The people of the United States are appalled at the disaster that has struck the friendly, hard-working people of Chile. Earthquakes, tidal waves, avalanches, and volcanic eruptions have brought extremely serious personal casualties and heavy material damage that will take years to overcome.

Many people in Chile are homeless, injured, and poorly clothed. It is now winter in Chile. The disaster area is one of heavy rainfall. Hence the extent of personal suffering being experienced by Chileans is almost beyond comprehension.

The United States Government is doing all it

can to assist the Government of Chile and the Chilean people in this catastrophe.

In addition, I urge all our people promptly to demonstrate once again the great generosity so characteristic of them. The Chileans need help of many kinds—medicines, tents, clothing, food, and other things. Cash contributions can be made to the American Red Cross. Contributions of material goods can be made through many voluntary organizations which, I am informed, are issuing local appeals. I have asked General Alfred M. Gruenther, President of the American Red Cross, to arrange for the coordination of this voluntary material assistance.

DEPARTMENT ANNOUNCEMENT

Press release 283 dated May 26

The U.S. Government, working in close cooperation with the Government of Chile, is speeding relief to the victims of the earthquakes and tidal waves in southern Chile.

Under Secretary Dillon has authorized the use of Mutual Security Program funds to enable the U.S. Air Force to airlift two U.S. Army field hospitals to the stricken area with their full complement of physicians and surgeons, nurses, and enlisted medical personnel. This airlift began at 1:30 a.m. on May 26.

Two water purification units and three medical maintenance units, together with 10,000 doses each of tetanus and antigangrene serum, 30,000 individual blood-transfusion units, large quantities of dried plasma, and other medical supplies, are also being sent to aid the many thousands of people reported homeless in southern Chile. The Caribbean Command, Canal Zone, has already airlifted 2,000 blankets and 40 twelve-man tents to help in the relief effort.

The voluntary foreign agencies section of the International Cooperation Administration reports that various private agencies, such as the American Red Cross, Church World Service, Catholic Relief Services, and Lutheran World Relief, are making cash donations and sending, by air and sea, clothing, drugs, and food totaling in value nearly $350,000. ICA has directed its public-health officials in Peru and Guatemala to place themselves at the disposal of Chilean health authorities.

Individual American citizens are also forwarding voluntary contributions to aid in relief work, through the American National Red Cross and other agencies. Transportation companies servicing routes between the United States and Chile are providing special facilities for relief shipments.

U.S. stocks of surplus agricultural products, now warehoused in Chile under the P.L. 480 program, are being made available to the Government as needed.

The U.S. role in the relief effort is being coordinated by Ambassador Walter Howe who, as soon as the extent of the disaster became known, utilized the $10,000 emergency fund at his disposal. The Ambassador has cabled his admiration for the courageous manner in which the Chilean people are meeting the catastrophe and has stated that the Government is undertaking a well-organized relief program.

President To See Chief Executive of Ryukyus at Tokyo

White House press release dated May 19

President Eisenhower, in response to a request from Seisaku Ota, Chief Executive of the Government of the Ryukyu Islands, and as an indication of his interest and that of the people of the United States in the welfare and well-being of the people of the Ryukyus has agreed to see the Chief Executive for a brief courtesy call at the Embassy residence in Tokyo on the morning of June 21.[1]

Import Quotas Increased on Certain Cheeses

White House press release dated May 11

WHITE HOUSE ANNOUNCEMENT

The President on May 11 issued a proclamation modifying the import quota on certain cheeses as recommended by the U.S. Tariff Commission.

The President's proclamation increases the annual quota for Edam and Gouda cheeses from

[1] For an announcement of President Eisenhower's visit to Japan, see BULLETIN of May 2, 1960, p. 685.

4,600,200 pounds to 9,200,400 pounds and also increases the annual quota on Italian-type cheeses from 9,200,100 pounds to 11,500,100 pounds.

The Tariff Commission, with two members dissenting, reported on April 8, 1960, its finding that circumstances had changed since the quotas were imposed in 1953 and that the additional imports of the specified cheeses could be permitted without materially interfering with the dairy price-support program. The Commission's investigation was made in response to the President's request of October 20, 1959.[1]

PROCLAMATION 3347[2]

INCREASING IMPORT QUOTAS ON CERTAIN KINDS OF CHEESE

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as amended (7 U.S.C. 624), I issued on June 8, 1953, Proclamation No. 3019 (3 CFR, 1949–1953 Comp., p. 189) imposing fees or quantitative limitations on imports of products specified in Lists I, II, and III appended to, and made a part of, that proclamation, which was amended by Proclamation No. 3025 issued June 30, 1953 (3 CFR, 1949–1953 Comp., p. 194), and Proclamation No. 3195 issued August 17, 1957 (3 CFR, 1957 Supp., p. 40); and

WHEREAS, at my request, the United States Tariff Commission has made a supplemental investigation under the authority of subsection (d) of section 22 of the Agricultural Adjustment Act to determine whether changed circumstances warrant the modification of Proclamation No. 3019, as amended, so as to permit the importation of certain kinds of cheese in excess of the quotas specified therefor in List II appended to that proclamation as amended; and

WHEREAS the Commission has submitted to me a report of its supplemental investigation and its findings and recommendations in connection therewith; and

WHEREAS, on the basis of such investigation and report, I find that changed circumstances require the modification, as hereinafter provided, of Proclamation No. 3019, as amended, in order to carry out the purposes of section 22 of the Agricultural Adjustment Act, as amended:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by section 22 of the Agricultural Adjustment Act, as amended, do hereby modify, effective July 1, 1960, List II appended to Proclamation No. 3019, as amended, (1) by deleting the figure "4,600,200" specified for "Edam and Gouda cheese" and substituting therefor the figure "9,200,400", and (2) by deleting the figure "9,200,100" specified for "Italian-type cheese, made from cow's milk, in original loaves (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provolette, and Sbrinz)" and substituting therefor the figure "11,500,100".

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this eleventh day of May in the year of our Lord nineteen hundred and sixty, and of the Independence of the United States of America the one hundred and eighty-fourth. [SEAL]

Dwight D. Eisenhower

By the President:
CHRISTIAN A. HERTER,
Secretary of State.

[1] BULLETIN of Nov. 16, 1959, p. 729.

[2] 25 *Fed. Reg.* 4343.

United States Participation in Trade-Agreements Negotiations

DEPARTMENT ANNOUNCEMENT

Press release 285 dated May 27

The Interdepartmental Committee on Trade Agreements (TAC), with the approval of the President, on May 27 issued formal notice of the intention of the U.S. Government to participate, under the authority of the Trade Agreements Act of 1934 as amended and extended, in multilateral tariff negotiations within the framework of the General Agreement on Tariffs and Trade (GATT).

This notice has attached to it a list of products[1] on which the United States may consider offering tariff concessions for the purpose of obtaining from other countries concessions of benefit to U.S. export trade. A separate release[2] concerning export products on which the United States may request tariff or other concessions from other countries was issued on the same date with the authorization of the Committee on Trade Agreements.

[1] Not printed here. For the list of products to be considered for possible U.S. concessions, see Department of State publication 6986, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. (40 cents).

[2] Press release 286 dated May 27, not printed here. For the list of products on which the United States may seek concessions from other countries, see Department of State publication 6987, for sale by the Superintendent of Documents (30 cents).

The list of products attached to the notice is merely a preliminary one designed to provide an opportunity for all interested persons to submit any information they may wish on whether or not the U.S. Government should offer concessions on individual products. No decision has been reached regarding the possibility of offering a tariff concession on any article on the list. Such a decision will be made only after there has been an opportunity to appraise all information obtained from the public during the hearing process now being started, as well as that otherwise available to the agencies of the Government.

A number of so-called basket categories of products have been included in the list. The extent to which offers of concessions on items included in these basket categories may be made will depend on the information that is developed with regard to the content of the categories. An opportunity will be provided for importers and other interested persons to submit detailed information on specific articles included in those categories.

The negotiations, which are being sponsored by the GATT, are scheduled to begin at Geneva, Switzerland, in September 1960.[3] The conference is to be held in two phases, with the first being concerned principally with two types of renegotiations and the second with negotiations for an exchange of new concessions.

During the first phase, the various contracting parties will have an opportunity to negotiate with the European Economic Community, pursuant to article XXIV:6 of the General Agreement, concerning the establishment of a new schedule of tariff concessions for the Common Market as a whole to replace the present national tariff schedules of the individual member states. During this phase of the negotiations contracting parties will also have an opportunity to negotiate, pursuant to article XXVIII of the agreement, the modification or withdrawal of individual concessions in their existing schedules before the current 3-year period of firm validity of schedules ends on December 31, 1960.

During the second phase of the conference, scheduled to begin in January 1961, a number of the contracting parties, including the member states of the EEC, expect to negotiate with each other for an exchange of new concessions. Several countries will also be negotiating for the purpose of acceding to the GATT. The negotiations in this phase will have as their aim the reduction of tariffs and other charges on imports through the exchange of reciprocal and mutually advantageous tariff concessions.

On the basis of presently available information, the United States expects to negotiate with the Commission of the European Economic Community on behalf of the six member states (Belgium, France, Germany, Italy, Luxembourg, and the Netherlands), with 17 other GATT contracting parties (Australia, Austria, Canada, Chile, Denmark, Dominican Republic, Finland, Haiti, India, Japan, New Zealand, Nicaragua, Norway, Peru, Sweden, the United Kingdom, and Uruguay), and with Israel, Spain, Switzerland, and Tunisia, which have acceded to the GATT provisionally or have been or are expected to be invited to negotiate for accession to the GATT. If there proves to be a basis for negotiation, the United States may also negotiate with some additional GATT countries.

U.S. participation in the negotiations will be under the authority delegated to the President in the Trade Agreements Act, which was most recently extended and amended by Public Law 686, 85th Congress, in 1958. No concession can be made in excess of that authority. Under the Trade Agreements Extension Act of 1958, the President is authorized to enter into trade agreements within the 4-year period ending June 30, 1962. In such trade agreements the President is authorized to reduce U.S. duties in stages by any one of three alternative methods as follows:

1. Reducing the rate existing on July 1, 1958, by not more than 20 percent, provided that no more than a 10 percent reduction may be made effective in any one year.

2. Reducing the rate existing on July 1, 1958, by not more than 2 percentage points ad valorem (or its ad valorem equivalent, in the case of a specific rate or a combination of ad valorem and specific rates). The reduction in any one year under this alternative may not exceed 1 percentage point.

3. Reducing to 50 percent ad valorem or its equivalent a rate which is in excess of that level, provided that not more than one-third of the total reduction may become effective in any one year.

The issuance of the notice of intention to nego-

[3] For an article on "The 1960–61 GATT Tariff Conference" by Honoré M. Catudal, see BULLETIN of Feb. 22, 1960, p. 291.

tiate and the list of products which may be considered in such negotiations, together with related notices issued by the Committee for Reciprocity Information (CRI) and the United States Tariff Commission, sets in motion the usual domestic procedures for obtaining full information in preparation for negotiations. The related notices concern (a) CRI arrangements for the submission of oral and written views on the forthcoming negotiations and (b) the Tariff Commission's arrangements for public hearings in connection with its "peril point" investigation of the extent to which concessions on listed products in the U.S. tariff may be made without causing or threatening serious injury to a domestic industry producing like or directly competitive products.

The United States will grant no concession on any product not included in this or a subsequent published list. Appearance of a product on the public list is exclusively for the purpose of affording interested persons an opportunity to present their views on the possibility of a concession; it does not carry with it the implication that a concession will in fact be offered or made on the product.

Domestic producers, importers, and other interested persons are invited to present their views as to whether concessions should or should not be made on products on the published import list, together with all possible pertinent information about such products. Submissions may also be presented to assist in compliance with the policy recommended in the President's message to the Congress of March 30, 1954,[4] relating to avoidance of concessions on products made by workers receiving wages which are substandard in the exporting country which is the principal supplier. All views and information will be carefully considered in arriving at a decision on each product as to whether or not a concession should be made by the United States.

The list of export products, issued separately in Department of State publication 6987, on which the United States will request tariff concessions from other countries is a preliminary one on which the interdepartmental trade agreements organization would welcome views of interested persons. In order to make the negotiations as meaningful as possible for domestic producers and exporters, the organization would appreciate receiving views on products to be added to or deleted from the export list, the countries from which concessions should be requested for particular products, and the extent to which existing customs treatment should be modified to permit development of trade in those markets.

Details concerning the submission of briefs and applications to be heard on concessions which the United States might either grant or obtain are contained in the notice of the Committee for Reciprocity Information. The hearings before the Committee will open on July 11, 1960. Applications for oral presentation of views and information should be made to the Committee not later than the close of business June 27, 1960. Persons desiring to be heard should also submit written briefs or statements to the Committee by the close of business June 27, 1960. Only those persons will be heard who presented written briefs or statements and filed applications to be heard by the date indicated.

The U.S. Tariff Commission also announced on May 27 that it would hold public hearings beginning July 11, 1960, in connection with its "peril point" investigation, as required by section 3(a) of the Trade Agreements Extension Act of 1951, as amended, on the extent to which U.S. concessions on listed products may be made in the negotiations without causing or threatening serious injury to a domestic industry producing like or directly competitive products. Copies of the notice of the Tariff Commission may be obtained from the Commission.

Views and information received by the Tariff Commission in its hearings referred to above will be made available to the Committee for Reciprocity Information for consideration by the Interdepartmental Committee on Trade Agreements and the Trade Policy Committee. Persons whose interests relate only to import products included in the list and who have appeared before the Tariff Commission need not—but may if they wish—appear also before the Committee for Reciprocity Information if they apply in accordance with the procedures of that Committee as outlined above.

Persons desiring to suggest items, either import or export, additional to those in the lists for consideration in the negotiations should present their views to the Committee for Reciprocity Information. As mentioned above, if any additional items

[4] For text, see *ibid.*, Apr. 19, 1954, p. 602.

are considered for the granting of concessions by the United States, they will be the subject of a further public notice and no concession will be made without such notice.

NOTICE OF INTENTION TO NEGOTIATE

INTERDEPARTMENTAL COMMITTEE ON TRADE AGREEMENTS

Trade-Agreement Negotiations under the General Agreement on Tariffs and Trade

Pursuant to Section 4 of the Trade Agreements Act approved June 12, 1934, as amended (43 Stat. 945, ch. 474; 65 Stat. 73, ch. 141), and to paragraph 4 of Executive Order 10082 of October 5, 1949, as amended (3 CFR, 1949–1953 Comp., pp. 281–355), notice is hereby given by the Interdepartmental Committee on Trade Agreements of intention to conduct trade agreement negotiations under the General Agreement on Tariffs and Trade with foreign governments which are contracting parties to that agreement and with the Governments of Israel, Spain, Switzerland and Tunisia, or with instrumentalities of any such foreign governments, and including in each case areas in respect of which such governments or instrumentalities thereof have authority to conduct trade agreement negotiations. It is proposed to enter into negotiations with these governments or instrumentalities for the purpose of negotiating mutually advantageous tariff or other trade concessions to be embodied in schedules to be applied under the General Agreement on Tariffs and Trade. It is anticipated that contracting parties or instrumentalities thereof will also negotiate, under provisions of the Agreement, compensatory adjustments in relation to action taken or to be taken with respect to existing concessions, such as, but not limited to, (i) the granting by the European Economic Community, under paragraph 6 of Article XXIV, of concessions compensatory for increases in duties, beyond those now permitted by the schedules of members of the Community, resulting from formation of the common external tariff of the Community, and (ii) the continuation of negotiations, previously announced and commenced by the United States under Article XIX, for the granting of concessions compensatory for certain escape clause action taken under that Article.

There is annexed hereto a list of articles imported into the United States to be considered for possible modification of duties or other import restrictions, imposition of additional import restrictions, or specific continuance of existing customs or excise treatment in the trade agreement negotiations of which notice is given above.

The articles proposed for consideration in the negotiations are identified in the annexed list by specifying the numbers of the paragraphs in the tariff schedules of Title I and Title II of the Tariff Act of 1930, as amended, under which they are provided for together with the language used in such tariff paragraphs to provide for such articles, except that where necessary the statutory language has been modified in order to narrow the scope of the original language. Where no qualifying language is used with regard to the type, grade, value, et cetera, of any listed article, all types, grades, values, et cetera, of the article covered by the language used are included. In case of any listed article that is subject to an import tax under the Internal Revenue Code of 1954, as amended, the tax on such article will be considered for possible modification or binding against increase.

In the case of each article in the list with respect to which the corresponding product of Cuba is now entitled to preferential treatment, the negotiations referred to will involve the elimination, reduction, or continuation of the preference, perhaps in some cases with an adjustment or specification of the rate applicable to the product of Cuba.

No article will be considered in the negotiations for possible modification of duties or other import restrictions, imposition of additional import restrictions, or specific continuance of existing customs or excise treatment unless it is included, specifically or by reference, in the annexed list or unless it is subsequently included in a supplementary public list or has already been included in a prior list published in relation to a negotiation for compensatory adjustments which is being continued as part of the negotiations announced herein. Except where otherwise indicated in the next sentence of this notice or in the list itself, only duties imposed under the paragraphs of the Tariff Act of 1930 specified in the list, with regard to articles included in such paragraphs, and import taxes applicable to any such articles under the Internal Revenue Code of 1954 will be considered for a possible decrease, but additional or separate duties or taxes on such articles imposed under any other provisions of law may be bound against increase as an assurance that the concession under the listed paragraph or section will not be nullified. In addition, any action which might be taken with respect to basic duties on products may involve action with respect to compensatory duties imposed on manufactures containing such products.

In the event that an article which as of February 1, 1960 was regarded as classifiable under a description included in the list is excluded therefrom by judicial decision or otherwise prior to the conclusion of the trade-agreement negotiations, the list will nevertheless be considered as including such article.

Pursuant to Section 4 of the Trade Agreements Act, as amended, and paragraph 5 of Executive Order 10082, as amended, information and views on any aspect of the proposals, including the list of articles, announced in this notice may be submitted to the Committee for Reciprocity Information in accordance with the announcement of this date issued by that Committee. Persons interested in export articles may wish to express their views regarding any tariff or other trade concessions that might be requested of foreign governments, or instrumentalities thereof, with which negotiations are to be conducted, whether or not such articles are included in the list of export articles on which the United States is considering requesting such concessions, issued today, in Department of State Publication No. 6987, pursuant to authorization of the Interdepartmental Committee on Trade Agreements. Any other matters appropriate to be considered in connection with the negotiations proposed above may also be presented.

Public hearings, in connection with the "peril point"

investigation of the United States Tariff Commission, pursuant to section 3 of the Trade Agreements Extension Act of 1951, as amended, with respect to the articles included in the list annexed to this notice are the subject of an announcement of this date issued by that Commission.

By direction of the Interdepartmental Committee on Trade Agreements this 27th day of May, 1960.

JOHN A. BIRCH
Chairman
Interdepartmental Committee on Trade Agreements

NOTICE OF PUBLIC HEARINGS

COMMITTEE FOR RECIPROCITY INFORMATION

Trade-Agreement Negotiations under the General Agreement on Tariffs and Trade

Submission of Information to the Committee for Reciprocity Information.

Closing date for Applications to Appear at Hearing June 27, 1960.

Closing date for Submission of Briefs June 27, 1960.

Public Hearings Open July 11, 1960.

The Interdepartmental Committee on Trade Agreements has issued on this day a notice of intention to conduct trade agreement negotiations under the General Agreement on Tariffs and Trade with foreign governments which are contracting parties to that agreement and with the Governments of Israel, Spain, Switzerland, and Tunisia, or with instrumentalities of any such foreign governments, and including in each case areas in respect of which such governments or instrumentalities thereof have authority to conduct trade agreement negotiations.

Annexed to the notice of the Interdepartmental Committee on Trade Agreements is a list of articles imported into the United States to be considered for possible concessions in the negotiations. A list of export articles on which the United States is considering requesting tariff or other trade concessions from one or more of the governments or instrumentalities referred to above is being issued today in Department of State Publication No. 6987, pursuant to authorization of the Interdepartmental Committee on Trade Agreements.

Pursuant to paragraph 5 of Executive Order 10082 of October 5, 1949, as amended (3 CFR, 1949–1953 Comp. pp. 281–355), the Committee for Reciprocity Information hereby gives notice that all applications for oral presentation of views in regard to any aspect of the proposed negotiations shall be submitted to the Committee for Reciprocity Information not later than June 27, 1960. The application must indicate the import or export article or articles on which the applicant desires to be heard and an estimate of the time required for oral presentation. All persons who make application to be heard shall also submit to the Committee their views in writing in regard to the foregoing proposals not later than June 27, 1960. Such communications shall be addressed to "Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D.C." Fifteen copies of written statements, either typed, printed, or duplicated, shall be submitted, of which one copy shall be sworn to.

Written statements submitted to the Committee, except information and business data proffered in confidence, shall be open to inspection by interested persons. Information and business data proffered in confidence shall be submitted on separate pages clearly marked "For Official Use Only of the Committee for Reciprocity Information".

Public hearings will be held before the Committee for Reciprocity Information, at which oral statements will be heard, beginning at 2:00 p.m. on July 11, 1960 in the Hearing Room in the Tariff Commission Building, Eighth and E Streets, N.W., Washington, D.C. Witnesses who make application to be heard will be advised regarding the time and place of their individual appearances. Appearances at hearings before the Committee may be made only by or on behalf of those persons who have filed written statements and who have within the time prescribed made written application for oral presentation of views. Statements made at the public hearings shall be under oath.

Persons or groups interested in import articles may present to the Committee their views concerning possible tariff concessions by the United States on any article whether or not included in the list annexed to the notice of intention to negotiate. However, as indicated in the notice of intention to negotiate, no tariff reduction or specific continuance of customs or excise treatment will be considered on any article which is not included in the list annexed to the public notice by the Interdepartmental Committee on Trade Agreements, unless it is subsequently included in a supplementary public list (or in a prior list in the case of a continued negotiation of compensatory adjustments).

Persons or groups interested in export articles may present their views regarding any tariff or other trade concessions that might be requested of the foreign governments, or instrumentalities thereof, with which negotiations are to be conducted, whether or not such articles are included in the list of export articles published today by the Department of State, and may specify the government or instrumentalities from which such concessions might be requested. Any other matters appropriate to be considered in connection with the proposed negotiations may also be presented.

The United States Tariff Commission has today announced public hearings on the import items appearing in the list annexed to the notice of intention to negotiate to run concurrently with the hearings of the Committee for Reciprocity Information. Oral testimony and written information submitted to the Tariff Commission will be made available to and will be considered by the Interdepartmental Committee on Trade Agreements. Consequently, interested persons may present oral testimony with regard to import articles included in the foregoing list at the Tariff Commission hearings only, but they may if they wish, appear also before the Committee for Reciprocity Information.

Copies of the list of import articles attached to the notice of intention to negotiate being issued by the Interdepartmental Committee on Trade Agreements and of the list of export articles being issued by the Department of State may be obtained from the Committee for Reciprocity Information at the address designated above and may be inspected at the field offices of the Department of Commerce.

By direction of the Committee for Reciprocity Information this 27th day of May, 1960.

EDWARD YARDLEY
Secretary,
Committee for Reciprocity Information

Claimants Advised of Yugoslav Decision on 1948 Claims Agreement

The Government of Yugoslavia published in its official gazette of April 6 the text of a decision concerning the implementation of article 3 of the Agreement on the Settlement of Pecuniary Claims, which was signed at Washington on July 19, 1948.[1] *Following is a Department announcement which advises American claimants of the decision and which reproduces the texts of the decision and of article 3 of the agreement.*

Press release 273 dated May 19

The American claimants mentioned in article 3 of the agreement who did not possess American citizenship at the time of the nationalization or other taking of their property in Yugoslavia between September 1, 1939, and July 19, 1948, and acquired American citizenship by July 19, 1948, are informed of a decision made by the Federal Executive Council of Yugoslavia published in the *Official Gazette of the Federal People's Republic of Yugoslavia* on April 6, 1960, in implementation of article 3 of the settlement.

An unofficial translation of the text of the decision as printed April 6, 1960, in the *Official Gazette of the Federal People's Republic of Yugoslavia* is as follows:

Official Gazette of the FPRY
No. 14, Item No. 186,
Belgrade, April 6, 1960.

BASED on Article 79, Paragraph 1, Point 1, of the Constitutional Law, and Article 30, paragraph 3, of the Regulation on the Organisation and Work of the Federal Executive Council ("Official Gazette of the FPRY" Nos. 20/58 and 21/59), the Federal Executive Council renders this

DECISION ON THE IMPLEMENTATION OF ARTICLE 3 OF THE AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA ON MONETARY CLAIMS OF THE UNITED STATES OF AMERICA AND ITS CITIZENS, OF JULY 19, 1948

1. Those citizens of the United States of America who, at the time of the taking over of their property in Yugoslavia, did not have that citizenship and because of that have not obtained compensation on the basis of the Agreement between the Governments of the United States of America and of the Federal People's Republic of Yugoslavia on the monetary claims of the United States of America and its citizens, of July 19, 1948 (hereinafter referred to as: the Agreement of July 19, 1948), may, in accordance with Article 3, of that Agreement, file a claim for compensation.

2. Compensation in accordance with paragraph 1 of this Decision, may be claimed by those citizens of the U.S.A. who had citizenship of the U.S.A. on the date of the signature of the Agreement of July 19, 1948.

3. Compensation on the basis of the provisions of this Decision may be given for property which the Yugoslav authorities took over between September 1, 1939, and July 19, 1948, on the basis of agrarian reform or nationalization. Compensation may also be given in other cases of the taking over of property, if justifiable reasons exist for such compensation.

4. The property liquidated on the basis of peace treaties concluded after the Second World War, on the basis of the Final Act on German War Reparations, or on the basis of other international agreements, and the property of those persons whose conduct during the last war had been in favour of the enemy and hostile towards the struggle of the Allies, in particular towards the struggle of the Yugoslav peoples for liberation, is not embraced by the preceding paragraph.

5. Compensation on the basis of the provisions of this Decision shall be paid from the Federal budget.

6. Decisions on compensation on the basis of submitted claims shall be rendered by the Commission for fixing of compensation to citizens of the U.S.A. pursuant to Article 3, of the Agreement of July 19, 1948, which shall be formed under the Office for Protection of Yugoslav Property in Foreign Countries (hereinafter referred to as: the Commission). The Commission shall consist of a president and four members, whom the Federal State Secretary for the Affairs of Finance shall appoint.

7. A complaint may be filed against a decision of the Commission with the Federal State Secretariat for the Affairs of Finance.

8. Claims for compensation shall have to be filed with the Commission within one year following the date of the entry into force of this Decision. A claim for compensation must be accompanied by all the necessary data on ownership, the composition of the property at the time of its taking over, and other important data.

[1] For text, see BULLETIN of Aug. 1, 1948, p. 137.

9. The criteria and procedure for the fixing of compensation on the basis of the submitted claims shall be prescribed by a separate regulation of the Federal Executive Council.

10. This Decision enters into force on the eighth day following the date of its publication in the "Official Gazette of the FPRY".

R.p. No. 71,
Belgrade, March 15, 1960.

FEDERAL EXECUTIVE COUNCIL

Secretary	Vice-President
VELJKO ZEKOVIC	MIJALKO TODOROVIC

In accordance with the normal rule of international law, this Government is precluded from espousing or presenting the claims of individual claimants who were not nationals of the United States at the time their claims arose. The Department of State is prepared, however, to furnish, upon request, lists of attorneys practicing in Yugoslavia.

Claimants are informed that their claims must be filed on or before April 14, 1961. The Yugoslav Government has stated that it is not necessary to submit claims on an official claims form. To avoid delay and to expedite the filing of claims, direct correspondence with the Bureau for Protection of Yugoslav Property Abroad, Yugoslav Federal Secretary for Financial Affairs, Belgrade, Yugoslavia, is advised.

Article 3 of the United States-Yugoslav Agreement of July 19, 1948 is as follows:

> The claims of nationals of the United States to which reference is made in Article 1 of this Agreement do not include claims of individual nationals of the United States who did not possess such nationality at the time of the nationalization or other taking, which claims shall be subject to compensation by the Government of Yugoslavia, either by direct negotiations between that Government and the respective claimants or under compensation procedures prescribed by Yugoslav law.

U.S. Mission Chiefs and Officials Meet at Tangier, Morocco

Press release 281 dated May 25

A conference of the chiefs of American diplomatic missions and principal consular officers from north and west Africa will be held at Tangier, Morocco, from May 30 to June 2. Such meetings are called periodically in different parts of the world by the Department of State to permit Washington officials to discuss questions of mutual interest and exchange ideas with American diplomatic representatives abroad. The last meeting in Africa was held at Lourenço Marques, Mozambique, in June 1959 for American diplomatic and consular officers serving in east, central, and south Africa.

Joseph C. Satterthwaite, Assistant Secretary of State for African Affairs, will be chairman of the conference, which will be attended by American ambassadors and principal officers from 17 diplomatic and consular posts of west and north Africa. Among other officials attending from Washington will be Raymond A. Hare, Deputy Under Secretary of State for Political Affairs, and George V. Allen, Director of the United States Information Agency.

U.S. and Canada Hold Talks on Columbia River Basin

Following is the text of a communique released at Washington, D.C., on May 24 at the close of the fourth meeting of U.S. and Canadian delegations to discuss development of the Columbia River Basin.

Press release 280 dated May 24

The fourth in a series of meetings between the Canadian and United States delegations assigned to explore plans for the cooperative development of the water resources of the Columbia River was held in Washington on May 23 and 24.

The Chairmen of the Delegations, the Honourable E. D. Fulton, Canadian Minister of Justice, and the Honorable Elmer F. Bennett, United States Under Secretary of the Department of the Interior, announced at the close of the meeting that the area for negotiation had been more precisely defined. Among the questions under discussion were the division of power benefits in kind only, compensation for flood control, protection and the treatment of transmission costs for each country's share of the power benefits.

In the coming weeks, technical advisors to the delegations will continue to work jointly on economic and engineering data relevant to the several specific programs of development that have been suggested. The delegations will hold their next meeting in Ottawa on June 20 and 21.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

U.S. Presents Views on European Free Trade Association

Statement by Charles W. Adair, Jr.[1]

The present session affords the Contracting Parties their first opportunity to review the Stockholm Convention, one of the more significant postwar developments in international commercial policy.[2]

The European Free Trade Association has now been ratified by all seven member states and will shortly enter into force. In our view it represents an important effort to lower trade barriers and to strengthen economic cooperation among its members. As such it commands the sympathetic and serious consideration of us all.

We have at hand considerable material to help in our review of the EFTA. There is the text of the Stockholm Convention itself and, of course, the relevant provisions of the General Agreement, which must be the point of departure for our review. Moreover, we have available the very detailed answers to our questions provided by the Seven. The United States would like to express its deep appreciation to the seven governments for the full information they have provided. We also have the good work done by the intersessional committee in exploring the various provisions of the Stockholm Convention as they relate to the General Agreement. Thanks are due to the chairman and members of this committee as well as to the secretariat for their diligent work. Lastly, we have the invaluable traditions and experience of the Contracting Parties on which to draw.

In my preliminary remarks today, Mr. Chairman, I do not propose to discuss the details of the Stockholm Convention or their specific relationships to particular provisions of the GATT. These details and relationships, in our view, should be left for consideration by an appropriate working party which would make recommendations to the 17th session as a basis for whatever action may be indicated.

My present remarks will therefore be directed to general observations with respect to the Stockholm Convention and to the approach to it which we think should be taken by the Contracting Parties.

Our overall view of the Stockholm Convention is that, on balance, it deserves the support and approval of the Contracting Parties. While there will be questions concerning specific aspects of the trade arrangements provided for in the convention and, we hope, responsive adjustments on the part of the parties to the convention, nevertheless, as a whole, it is in our judgment in harmony with the spirit and broad objectives of the General Agreement.

Together, the seven countries which make up the EFTA represent a group with considerable influence on the volume and direction of international trade. Like all regional trading arrangements, the EFTA will mean change. It will require adjustments for producers and consumers inside the Association and in countries which trade with the Seven. These adjustments may raise problems. But they will also provide opportunities. If sound and liberal policies are followed by the Seven in the endeavor they are now beginning, the result can be increased trade and prosperity both for the member states and for their trading partners. Ministers of the Seven meeting at Stockholm on November 20, 1959, pointed out that "as world trading nations, the countries of the European Free Trade Association are particularly conscious of Europe's links with the rest of the world." As the EFTA enters into force, the United States is confident that the convention will be carried out in a manner to maximize trade-creating effects and to minimize problems for other countries, both in Europe and in other parts of the world.

We believe that the procedures whereby the Contracting Parties will consider and, we hope, approve the Stockholm Convention are important. For reasons which we will set forth in detail in the working party my delegation is of the opinion that the provisions of article XXIV alone are not fully adequate to cover the Stockholm Convention.

[1] Made before the 16th session of the Contracting Parties to the General Agreement on Tariffs and Trade at Geneva, Switzerland, on May 17. Mr. Adair is Deputy Assistant Secretary of State for Economic Affairs; he was chairman of the U.S. delegation to the GATT meeting.

[2] The Stockholm Convention, signed on Nov. 20, 1959, calls for the formation of a free-trade area among the following seven countries: Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom. The first tariff reduction will take place on July 1, 1960.

The exemption from the free-trade provisions of the EFTA of the entire economic sector of agriculture and the question as to how the third-country trade in agriculture will be affected by bilateral agreements related to the EFTA seem to us to warrant consideration of the Stockholm Convention by the Contracting Parties under GATT procedures other than those set forth in article XXIV.

I would like to express satisfaction with the declaration in article 37 of the Stockholm Convention which reaffirms the obligations of member states undertaken in the GATT. Also it is reassuring to have the statement contained in the replies from the member states to the questions submitted by contracting parties that member states intend to administer and interpret the origin rules in a liberal spirit. I think it unnecessary to discuss in detail provisions of the Stockholm Convention relating to quantitative import restrictions. My delegation would, however, like to indicate its view that the imposition, maintenance, and administration of quantitative import restrictions for financial reasons should depend exclusively on the balance-of-payments position of individual member states.

Mr. Chairman, this in brief is a general statement of our views. My delegation will listen with great interest to the views of other contracting parties and will be prepared to cooperate in what we are confident will be a friendly and constructive review of the Stockholm Convention.

SEATO Council of Ministers Meets at Washington

The Department of State announced on May 28 (press release 290) that Vice President Richard M. Nixon will be the principal speaker at ceremonies opening the sixth Council of Ministers Meeting of the Southeast Asia Treaty Organization (SEATO) on May 31, at Washington. Secretary Herter, who will serve as chairman of the conference, will lead the U.S. delegation.

Following the opening ceremonies, President Eisenhower will receive the heads of member country delegations at the White House, where they will have luncheon with the President.

The Council meeting, which was preceded by the 12th SEATO Military Advisers Meeting, May 25–27, is the first to be held outside the treaty area. Previous SEATO conferences have been held at Bangkok, Karachi, Canberra, Manila, and Wellington. Member countries of the Organization are Australia, France, New Zealand, Pakistan, Republic of the Philippines, Thailand, United Kingdom, and United States.

The delegations of Australia and New Zealand will be led by Prime Ministers R. G. Menzies and Walter Nash, respectively, both of whom are also Foreign Ministers of their countries. At the head of their respective delegations will be Foreign Ministers Maurice Couve de Murville of France, Manzur Qadir of Pakistan, Felixberto Serrano of the Republic of the Philippines, Thanat Khoman of Thailand, and Selwyn Lloyd of the United Kingdom. Each chief of delegation is scheduled to make brief remarks following the address by the Vice President.

TREATY INFORMATION

Department Supports U.S. Acceptance of 1954 Oil Pollution Convention

Statement by Thomas C. Mann
Assistant Secretary for Economic Affairs [1]

I am glad to have the opportunity to appear in support of United States acceptance of the 1954 International Convention for the Prevention of Pollution of the Sea by Oil. In the submission of the treaty to the Senate [2] a considerable amount of background information was submitted concerning this convention.

Many governments, including the United States, have laws prohibiting the discharge of oil and oily wastes within their territorial waters. The 1954 convention deals with oil discharged on the high seas beyond territorial waters, some of which drifts ashore in quantities sufficient to foul beaches and to injure wildlife.

[1] Read by Edward M. Martin, Deputy Assistant Secretary for Economic Affairs, before the Senate Foreign Relations Committee on May 17 (press release 269).

[2] S. Ex. C, 86th Cong., 2d sess.

As early as 1922 the Congress called attention to this problem in a joint resolution.

In 1926 an international conference on this problem was held in Washington, but no government actually adopted the convention which was drafted at this conference.

In 1926 private shipowners' organizations also met in an international shipping conference, and although no definitive action was taken at this conference, it was followed by the creation of "gentlemen's agreements" on the part of a number of shipowners to refrain from discharging oil within 50 miles of any coast.

In 1934 and again in 1936 this problem was considered by commissions of the League of Nations, again without definitive results. In 1949 and again in 1953 the problem was discussed within the United Nations.

In 1954 the United Kingdom convened an international conference.[3] Because of the shortness of time for preparation and difficulties of reconciling conflicting domestic views, the United States delegation did not sign the convention developed at this conference. Nevertheless 12 nations which have under their registry somewhat more than 50 percent of the gross tonnage of the total world tanker fleet have formally adopted this convention.

One of the recommendations of the 1954 conference was that nations should establish national committees for the purpose of keeping the problem of oil pollution under review, of fostering research and study, and of referring pertinent information to an international clearinghouse. In 1956 a United States National Committee for the Prevention of Pollution of the Seas by Oil was organized and held its first meeting.[4] This Committee is composed of representatives of the interested Departments of the United States Government and has worked in close collaboration with private associations interested in this problem. Available to the National Committee have been the results of the very useful research which the United States shipping and petroleum industry associations have carried out in this field since 1926. These associations have supplied all American-flag vessels with manuals of instruction and warning posters as well as other educational material designed to train ships' crews in the prevention of oil pollution. Also available to the National Committee have been the valuable advice and recommendations of the Oil Pollution Panel, a United States shipping industry group which reports to the Commandant of the United States Coast Guard (who also is the Chairman of the National Committee). The National Committee has also been aided by views expressed by representatives of localities adversely affected by oil pollution, including hotels, motels, beach resorts, and municipalities, as well as those interested in the conservation of birds and other wildlife.

The National Committee has concluded, after long and careful study, that the 1954 convention constitutes a necessary and constructive beginning in the direction of effective intergovernmental cooperation. The Oil Pollution Panel has recommended to the oil and shipping industries that they not oppose a determination by the Government of the United States to accept the convention subject to certain reservations. Conservation and other groups have expressed their unqualified support of United States adherence to the convention.

The National Committee agrees with the Oil Pollution Panel that United States adherence should be accompanied by certain reservations and recommendations. These are described in detail beginning on the middle of page 6 of Executive C document of the Senate and ending on page 7 of that document. They include an understanding concerning the supremacy of United States law within United States territorial waters, a reservation that the United States shall not be obliged to construct, operate, or maintain shore facilities for disposing of oily wastes, and a reservation that amendments to the convention shall not be binding on the United States until after notification of its acceptance of them. There are also certain recommendations largely relating to problems of enforcement.

In regard to the reservation concerning shore facilities, it should be pointed out that the Federal Government maintains no such facilities except in United States Navy yards. In view of the non-U.S. Government facilities which already exist, we believe that reliance can be placed upon port authorities, oil terminals, and private contractors to improve and expand disposal facilities as the need arises.

United States adherence to the convention will help create confidence on the part of other nations

[3] For background, see BULLETIN of Aug. 30, 1954, p. 311.
[4] *Ibid.*, Oct. 1, 1956, p. 521, and Mar. 4, 1957, p. 349.

in ultimately achieving effective intergovernmental cooperation in this field. We hope that it will encourage adherence by other nations. We believe that the reservations which are recommended will be acceptable to other parties to the convention.

The convention will require implementing legislation by the Congress. It is our view that this legislation should not change in any way our present laws dealing with pollution of United States territorial waters. It should prohibit discharge by ships of American registry of oil or oily wastes in any of the zones specified in the convention and its annexes (as other parties to the convention have done with respect to their ships). It should require American ships to carry oil record books which could be inspected in United States ports and in ports of other convention countries. It should authorize appropriate United States officials to examine oil record books of all ships subject to the convention when in our ports with the view to enforcement of the convention's prohibition, and it should prescribe penalties. We would not actually deposit our instrument of acceptance until this legislation had been adopted.

In conclusion the Department of State recommends that the Senate signify its advice and consent to acceptance of the 1954 convention with the reservation and recommendations already referred to, as a concrete way of encouraging effective international cooperation in the prevention of oil pollution of the seas.

Current Actions

MULTILATERAL

Aviation

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.
Adherence deposited: Kuwait, May 18, 1960.

Health

Amendments to articles 24 and 25 of the World Health Organization Constitution of July 22, 1946 (TIAS 1808). Adopted by the 12th World Health Assembly, Geneva, May 28, 1959.[1]
Acceptances deposited: Tunisia, March 18, 1960; Jordan, Philippines, and United Arab Republic, March 25, 1960; Morocco, March 28, 1960; Austria, March 29, 1960; Sudan and United Kingdom, April 1, 1960; New Zealand, April 4, 1960; Yugoslavia, April 8, 1960; Burma, April 19, 1960; China, April 25, 1960; Chile, April 28, 1960; Iran, May 2, 1960; Ethiopia, May 3, 1960; Finland and Laos, May 4, 1960.

Narcotics

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.[1]
Notification by Federal Republic of Germany of application to: Land Berlin, April 27, 1960.

Postal Services

Universal postal convention with final protocol, annex, regulations of execution, and provisions regarding airmail, with final protocol. Done at Ottawa October 3, 1957. Entered into force April 1, 1959. TIAS 4202.
Ratifications deposited: Sudan, March 1, 1960; Korea, March 14, 1960; Hungary, April 5, 1960; Union of South Africa, April 7, 1960; Vatican City, April 13, 1960.

Wheat

International wheat agreement, 1959, with annex. Opened for signature at Washington April 6 through 24, 1959. Entered into force July 16, 1959, for part I and parts III to VIII, and August 1, 1959, for part II. TIAS 4302.
Accession deposited: Guatemala, May 18, 1960.

BILATERAL

Belgium

Agreement approving the procedures for reciprocal filing of classified patent applications. Effected by exchange of notes at Brussels May 6 and 18, 1960. Entered into force May 18, 1960.

Ecuador

Agreement extending the agreement of April 24, 1957, as amended and extended (TIAS 3833, 4164, and 4282), for the establishment and operation of a rawinsonde observation station at Guayaquil. Effected by exchange of notes at Quito February 12 and May 4, 1960. Entered into force May 4, 1960.

France

Agreement amending and extending the agreement of October 22, 1948, as amended (TIAS 1877, 3031, and 3281), for financing certain educational exchange programs. Effected by exchange of notes at Paris April 29, 1960. Entered into force April 29, 1960.

DEPARTMENT AND FOREIGN SERVICE

Designations

Nedville E. Nordness as Deputy Assistant Secretary for Mutual Security Information, effective May 15.

C. Alphonso Smith as Special Assistant for Mutual Security Information, effective May 15.

Gardner E. Palmer as Coordinator for Commercial Activities, Bureau of Economic Affairs, effective May 23.

[1] Not in force.

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278	5/24	Herter: anniversary of Secretary Dulles' death.
*279	5/24	Cultural exchange (Brazil).
280	5/24	U.S.–Canadian talks on Columbia River basin.
281	5/25	Meeting of chiefs of missions in north and west Africa.
†282	5/26	Herter: tidal-wave damage in Japan.
283	5/26	Aid for earthquake victims in Chile.
284	5/27	Herter: Senate Foreign Relations Committee.
285	5/27	U.S. participation in trade-agreements negotiations.
*286	5/27	Trade-agreements negotiations: list of products.
*287	5/27	Trade-agreements negotiations: publications.
†288	5/27	NATO science fellowships (rewrite).
289	5/27	Grain to Libya.
290	5/28	SEATO Council of Ministers Meeting (rewrite).

* Not printed.
† Held for a later issue of the BULLETIN.

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Vol. XLII, No. 1095 June 20, 1960

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THE DEPARTMENT OF STATE

Bulletin

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June 20, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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Southeast Asia Treaty Organization Reemphasizes Unity of Purpose

Following are texts of a welcoming address by Vice President Nixon and remarks by Secretary Herter made at the opening session of the sixth annual meeting of the Council of Ministers of the Southeast Asia Treaty Organization, held at Washington, D.C., May 31–June 2, together with President Eisenhower's remarks to the SEATO delegates at a luncheon in their honor at the White House, the text of a communique issued at the close of the meeting, and a list of the U.S. delegation.

ADDRESS BY VICE PRESIDENT NIXON, MAY 31

I am honored to extend on behalf of President Eisenhower a warm welcome to the distinguished delegations attending this sixth conference of the Council of Ministers of the Southeast Asia Treaty Organization. I know that I speak for all the American people in expressing the hope that your stay here will be a pleasant one and that your deliberations will further the peaceful purposes to which this Organization is dedicated.

Nothing could have more vividly pointed up the need for collective security organizations like SEATO than Mr. Khrushchev's conduct at the Paris summit meeting. Consequently, I believe it would be appropriate, as this conference opens, to consider how the developments in Paris have changed the international climate and what policies the free world in general and SEATO in particular should adopt to meet the new situation.

No constructive purpose would be served by attempting to review in detail the events which led up to Mr. Khrushchev's breaking up of the conference.[1] Mr. Khrushchev himself must now be beginning to realize that he has made a major propaganda blunder—not only in shattering the world's hopes for progress toward peace by scuttling the conference but in claiming that the reason for his conduct was his shock at discovering that the United States was engaged in intelligence activities to protect itself from surprise attack. By this patent subterfuge he has only called attention again to the most insidious web of espionage and subversion the world has ever known: the apparatus maintained by the Communist organization which he heads.

But while it is proper to note that Mr. Khrushchev's hands are not clean, it would be a tragedy to allow the debate over the summit to degenerate into a sordid squabble over who spied on whom, with each side defending itself by saying "you're another."

In the first place, for us in the free world the distasteful business of gathering intelligence in peacetime is not a matter of choice. It is a matter of necessity for protecting ourselves against surprise attack. For the Communist nations the use of espionage and subversion in peacetime has been and is a standard instrument of conquest directed against every non-Communist nation in the world.

But even more important, we must recognize that espionage is only a symptom of a disease; it is an effect, not a cause, of world tension. The cause is the threat to the peace of the world presented by the aggressive policies and power of the Communist nations. It was this cause that the summit conference was designed to deal with. Mr. Khrushchev must assume sole responsibility for blocking discussions which might have produced progress in resolving some of the basic issues which threaten the peace of the world.

Mr. Khrushchev's conduct since the summit has been somewhat ambiguous. His words have been bellicose, intemperate, and ill-mannered. But his deeds have been restrained.

[1] For a statement by Secretary Herter on the events at Paris, see BULLETIN of June 13, 1960, p. 947.

I think we all will agree that the conduct of President de Gaulle, Prime Minister Macmillan, and President Eisenhower both at and since the conference has been exemplary in the face of great provocation. To respond in kind to Mr. Khrushchev's insulting remarks would serve no useful purpose. Trading of insults would only result in a war of words which might raise the temperature of world conflict to the igniting point which would set off nuclear destruction.

Importance of Collective Security Organizations

This does not, of course, mean that retreat or appeasement should be our course. If one fact has become clear in international relations it is that peace cannot be purchased by weakness and concessions on the part of free nations. It does mean that we should be guided by one all-important principle in these critical years ahead if we are to keep our differences from resulting in war—firmness without belligerency.

As the President pointed out in his report to the Nation,[2] diplomatic firmness must be combined with military strength adequate to deter any potential aggressor. And despite our disappointment at the results of the summit meeting, we must and shall continue to explore every possible avenue for negotiating the outstanding differences we have with the Communist nations. The outcome at Paris changes our attitude in this area in only one respect. While we do not rule out any meeting which might contribute to the cause of peace, certainly the world will now have greater confidence in the traditional methods of diplomacy and in discussions in the United Nations than in the summitry on which Mr. Khrushchev has in the past insisted.

As a result of developments of these past few weeks the necessity of maintaining SEATO and other collective security organizations is of even greater importance than it was before. For its part, the United States in acting as host for the Council of Ministers solemnly renews its pledge of fidelity to SEATO and its determination fully to carry out its SEATO commitment.

SEATO was formed when Communist aggression was directly challenging Viet-Nam, Laos, Cambodia, and other countries of southeast Asia and when the unity of the non-Communist countries was by no means so clear as it is today. In the 6 years of its existence, overt Communist aggression has been deterred. But probing actions, indirect aggression, and subversion have continued. We need recall only the events of the past year—the incidents along the Indian-Chinese frontiers, the rebellion in Laos stimulated across the north Vietnamese border, the continuing Communist-instigated violence in south Viet-Nam. But while communism has not changed materially in these 6 years, the free countries of the area have gained greatly in strength at home and in their posture of preparedness and solidarity.

As we look to the future of southeast Asia it is interesting to note the reaction of the Chinese Communist government to the developments at Paris. Peiping, almost unique among the capitals of the world, has received the news of Mr. Khrushchev's sabotage at Paris with undisguised satisfaction. The Chinese Communists have long been openly disgruntled with even the appearance of peaceful intent by the Soviet leaders. Since Chairman Mao's 100 flowers flourished with the alarming vitality of liberty,[3] the Chinese Communists have made no secret of their unswerving adherence to the Stalinist line. As recently as 2 months before the summit conference Chairman Mao caused to be published throughout the country his thinly veiled suggestions that, rather than fearing an atomic war, a third world war might assure his ultimate goal of a Communist world.

The Chinese Communists have seized upon the failure of the conference as an opportunity for renewed emphasis on the "orthodox" Communist philosophy of the need for force as an essential ingredient in world Communist tactics. In the world in which we live today this emphasis is as dangerous as it is anachronistic. Fortunately there are good indications even since the Paris conference that this view is not shared by Mr. Khrushchev.

Answering the Communist Challenge

The record of SEATO as a defensive military alliance is an impressive one. SEATO also has been designed to cope with more subtle threats than overt aggression, particularly with Communist subversion. Much progress has been made in the field of exchanging experience and information and in strengthening our societies against

[2] *Ibid.*, June 6, 1960, p. 899.

[3] For background, see *ibid.*, July 15, 1957, p. 101.

internal dangers. Under article III of the SEATO treaty the United States has been able to participate actively through its several instrumentalities for economic cooperation in common efforts to strengthen free institutions and to cooperate in economic measures of technical assistance designed to promote economic progress and social well-being.

We must recognize, however, that, no matter how strong and effective SEATO and our other organizations of collective security may be, they by themselves are not an adequate answer to the challenge of communism in this last half of the 20th century. We are always careful to emphasize that SEATO, NATO [North Atlantic Treaty Organization] and CENTO [Central Treaty Organization] are defensive alliances. This is certainly correct in fact, and from a military standpoint it is the only just and proper function of an alliance. But economically and ideologically defense is not enough to meet the offensive on which the Communists are embarked throughout the world.

Let us examine the nature of the Communist challenge. The Communists believe that time is on their side. They believe they are on the wave of the future because they have a clear purpose: the Communist domination of the world. Whatever we may think of the Communist idea, it is positive, it is on the march, and it offers change to millions of people who want change.

Our answer to this challenge cannot be to adopt the antithesis of the Communist purpose. No one of the free nations desires to dominate the world. The very essence of our belief is that each nation should have the right to choose the kind of government and economic system it wants.

And it is a wholly inadequate answer to the challenge of communism to adopt as our sole purpose the defense of the non-Communist world against the change the Communists would impose. This is admittedly a worthwhile goal in itself for those of us who know the deadly tyranny of Communist rule and the mirage of Communist promises. But it is not enough for those who are determined to change their desperate plight.

We are living in what has been called a revolution of expectations. I have no doubt but that the great majority of the leaders and people of the newly developing nations would prefer to realize their expectations of progress toward a better life without losing their freedom and independence. But if the choice with which they are confronted is progress Communist-style—at the cost of freedom—or no progress, they will take communism.

Our answer, therefore, must be progress with freedom, not only for ourselves but for other people throughout the world. Let us recognize that, if we are to win this battle, our sole and primary aim must not be the negative objective of fighting communism. The proud peoples of Asia, Africa, and the Near East understandably resent being treated as pawns in a struggle between great powers for world domination.

If there were no communism, there would still be poverty, misery, disease, and tyranny in the world. And we who live in more fortunate circumstances would consider it our obligation as members of the world community to cooperate with other peoples in achieving the economic progress to which they are entitled. In other words, we must wage a war on poverty, misery, and disease wherever they exist because they are evils in themselves. As we succeed in this grand endeavor, the evil seeds of communism will find no soil in which to grow.

This I submit is a purpose worthy of the proud heritage of the peoples so splendidly represented at this conference today.

REMARKS BY SECRETARY HERTER, MAY 31

Your Excellencies and distinguished guests: I join with Vice President Nixon in extending our warmest welcome to this distinguished gathering of the Council of Ministers of the Southeast Asia Treaty Organization. The United States is honored and proud to be accorded this opportunity to be host for the first time to an organization with which this nation has been closely associated from its inception.

I would like to pause for a moment to pay tribute to the late John Foster Dulles. There is no doubt today of the clarity of his foresight back in those dark days when communism in all its manifestations and disguises was scoring successes on many fronts. His tireless dedication to the cause of freedom was the catalyst in the coalescence of like-minded free-world leaders which led to the formation of SEATO.

That SEATO has become a most effective deterrent to aggression and a vital link in the system

of collective security is expressive testimony to the solidarity of its members in exercising their responsibilities to insure that freedom will flourish.

SEATO is a tangible demonstration of the determination of its members to maintain their own independence through collective security. Of perhaps equal significance is the fact that SEATO also contributes to the maintenance of the independence and integrity of nonmember neighbors. The existence of SEATO has given to the general geographic area southwest of mainland China—to SEATO members and nonmembers alike—a greater sense of security behind which they, the governments and peoples concerned, have been able to cope with their problems of internal progress and development in greater confidence.

The United States for its part is convinced that SEATO has made sound contributions to the cause of peace in freedom and to the development of stability and well-being in the area. The United States is determined to continue to carry out its responsibilities in concert with the other members.

In closing, I wish to say that I look forward very much to participating, along with my colleagues, in the deliberations of this conference.

Thank you.

REMARKS BY PRESIDENT EISENHOWER, MAY 31

White House press release dated May 31

Excellencies and distinguished guests: It is a deep personal honor to welcome as our honored guests today the Council members, their senior civil and military advisers, the Secretary General, and the Chief of the Military Planning Office of the Southeast Asia Treaty Organization.

I have long held an unwavering conviction that our collective security arrangements are indispensable safeguards of freedom with justice in today's world. In an address called "The Chance for Peace,"[4] which I made soon after taking office in 1953, I advocated "united action" for southeast Asia. This policy was realized in September 1954, when our eight countries concluded a solemn commitment at Manila. It was an extraordinary event when countries with such diversity and geographical separation united to preserve freedom and security and to promote the economic well-being and development of the peoples of the treaty area. I am particularly pleased that we have with us today two of those who were present on that historic occasion: Secretary General Sarasin, who was then a member of the Thai delegation, and Senator [Mike] Mansfield, a member of the American delegation.

We can take much satisfaction in the fact that our first objective of preventing further Communist domination through aggression or subversion in the treaty area has been realized. However, we cannot afford to relax our vigilance or slacken our cooperative efforts to further the high principles of the Pacific Charter.

No defensive alliance of which we are a member faces a greater challenge or protects a more vital segment of the free world than SEATO. Together we can continue to measure up to the task and, in the process, deepen our mutual understanding through intimate consultations such as those you are initiating today. Under these circumstances the responsibilities which devolve upon you who are directly charged with promoting SEATO's high objectives are indeed great.

[4] *Ibid.*, Apr. 27, 1953, p. 599.

COMMUNIQUE, JUNE 2

The SEATO Council held its Sixth Meeting in Washington, D.C. from May 31 to June 2, 1960 under the Chairmanship of the Secretary of State of the United States, the Honorable Christian A. Herter. The inaugural address was delivered by the Vice-President of the United States, the Honorable Richard M. Nixon.

Tribute to John Foster Dulles

The Council Members joined in paying tribute to the memory of the late John Foster Dulles, former Secretary of State of the United States and one of SEATO's principal architects.

General Observations

The Council meeting was held at a time when the international policies of the Communist countries and their future relations with the rest of the world were question foremost in the minds of governments and peoples. Only a few days earlier the Summit Conference in Paris, which many had hoped would result in at least some limited agreement from which further reductions in world tensions might be developed, had been prevented from meeting by Premier Khrushchev. The Council, therefore, did not meet in that improved international climate which had been hoped for. Moreover, the Council noted that the Communist Chinese, who had not concealed their hostility to a Summit Conference, continued their uncompromising attitude.

In these circumstances the overall review of matters affecting the Treaty Area, which has always been an important item of the Council's agenda, took on special significance. In their frank exchange of views on this subject, the Council Members gave particular attention to the intensification during the past year of Communist subversion, insurgency and terrorism in several countries in the Treaty Area, as well as to the potential threat of armed aggression.

The Council availed itself of this timely opportunity to re-emphasize the firm unity of purpose of the member countries of SEATO and their determination to maintain and develop, both individually and collectively, their capacity to meet all forms of Communist threat to the peace and security of the Treaty Area. At the same time it re-affirmed the faith of its members in the purposes and principles of the United Nations Charter and their desire to settle all international disputes by peaceful means.

The Council recognized that the Communist challenge posed not only a potential military threat to the independence of countries in the Treaty Area but also an immediate and direct threat to their cultures and ways of life. The members of the Council therefore re-stated their firm belief that, while military preparedness to meet armed aggression is an essential element in the work of the Treaty Organization, a true and complete defence against aggression in its broadest sense must be found in the minds and spirits of men. For this reason a significant part of the effort of the Treaty members has been, and is being, directed towards mutual support in the economic, educational and cultural fields. This effort has the positive objectives of strengthening the sense of community throughout the Treaty Area and of developing conditions in which its people will enjoy their freedom to the fullest extent and will therefore hold to it the more resolutely.

The Council also emphasized the importance which Treaty members placed on maintaining and developing good relations with other countries of the area which although not members of the Organization, had the same interest in the preservation of their independence.

Counter-subversion

The Council noted that further improvements have been made during the year in the arrangements for thorough and up-to-date joint study of subversion and insurgency, which are at present the preferred Communist tactics in the Treaty Area, and for exchanging views on the most effective methods of countering these activities. In this connection special note was taken of the usefulness of the second Counter-Subversion Seminar held in Lahore in February and of the continuing work of the Committee of Security Experts.

Military Defence

The Council expressed satisfaction with the progress reported by the Military Advisers. Their work on planning and military exercises constitutes a re-assurance that SEATO will be able successfully to resist aggression. The Council commended the efforts of the officers and men who participated in the exercises of the past year.

The Council placed on record its appreciation of the outstanding services rendered the Organization by Brigadier L. W. Thornton, C.B.E., of New Zealand, who is completing his tour of duty as Chief, SEATO Military Planning Office, and welcomed his successor, Maj. Gen. J. G. N. Wilton, C.B.E., D.S.O., of Australia, and Commodore S. M. Ahsan, S.Q.A., D.S.C., of Pakistan, the newly-appointed Deputy-Chief, Military Planning Office.

Economic Co-operation

In the field of economic co-operation there has been substantial progress reflected in such projects as:

The SEATO Graduate School of Engineering in Bangkok, which is expected to provide much needed talent essential to the economic development of South-East Asia;

The SEATO skilled labour projects in the Philippines, Thailand and Pakistan, which are developing essential skills in short supply in the Treaty Area;

The area-wide SEATO meteorological communications project, which has moved forward as a result of a survey team visit to Pakistan, Thailand and the Philippines. This project would bring about improved radio communications, greater safety for air travel, and a reduction of typhoon damage and crop and property losses by providing advance warning of weather conditions.

The Treaty Area being heavily dependent on a few valuable staple crops, the Council approved a United States proposal to study the possibility of establishing an Institute of Tropical and Sub-Tropical Agriculture, which would seek means of preventing diseases that threaten those crops, and of developing greater agricultural diversification.

It was also agreed that the SEATO Cholera Research project in Thailand be converted to a SEATO Medical Research Laboratory which would contribute to the eradication, not only of cholera but also of other diseases.

The Council agreed that the Committee of Economic Experts should be entirely free to discuss on a technical and advisory basis relevant economic problems of member countries, bearing in mind the established functions of other international agencies. Decisions on such matters will be left to the Council Representatives or to Member Governments.

Cultural Activity

During the past year, SEATO awarded a large number of Research Fellowships, Professorships, Post-graduate and Undergraduate Scholarships, and Travelling Lectureships. In view of the effectiveness of this programme in bringing about a greater understanding among people of the SEATO nations, the Council decided to continue these activities during the coming year. It looked forward with expectation to the Conference of Heads of Universities, scheduled to be held early next year, to be attended by eminent educators from both SEATO and other Asian countries.

Secretary-General

Appreciative references were made to the outstanding services of the Secretary-General His Excellency Mr. Pote Sarasin, and it was decided to ask him to continue in office until the conclusion of the 1963 Conference. The Secretary-General accepted.

Expression of Gratitude

The Council expressed its gratitude to the Government of the United States for its hospitality and the excellent arrangements made for the Conference. The Meeting closed with a warm vote of thanks to the Chairman, the Honorable Christian A. Herter.

Next Meeting

The Council accepted with pleasure the invitation of the Government of Thailand to hold its next meeting in Bangkok in March 1961.

Leaders of National Delegations

The leaders of the national delegations to the Council Meeting were:

The Right Honourable Robert Gordon Menzies, Prime Minister of Australia

Mr. Maurice Couve de Murville, Minister of Foreign Affairs of France

The Right Honourable Walter Nash, Prime Minister of New Zealand

Mr. Manzur Qadir, Minister of Foreign Affairs and Commonwealth Relations of Pakistan

The Honorable Felixberto M. Serrano, Secretary of Foreign Affairs of the Philippines

Mr. Thanat Khoman, Minister of Foreign Affairs of Thailand

The Right Honourable Selwyn Lloyd, Secretary of State for Foreign Affairs of the United Kingdom

The Honorable Christian A. Herter, Secretary of State of the United States

U.S. DELEGATION

Press release 291 dated May 30

U.S. Representative

Christian A. Herter, Secretary of State
Alternate: Douglas Dillon, Under Secretary of State

U.S. Council Representative

U. Alexis Johnson, Ambassador to Thailand

Senior Advisers

Theodore C. Achilles, Counselor of the Department of State

Andrew H. Berding, Assistant Secretary of State for Public Affairs

Adm. Harry D. Felt, USN, Commander in Chief, Pacific

John N. Irwin II, Assistant Secretary of Defense for International Security Affairs

J. Graham Parsons, Assistant Secretary of State for Far Eastern Affairs

John E. Pickering, Assistant Director for Far East, U.S. Information Agency

Gerard C. Smith, Assistant Secretary of State for Policy Planning

Advisers

Daniel V. Anderson, Director, Office of Southeast Asian Affairs, Department of State

Frederic P. Bartlett, Director, Office of South Asian Affairs, Department of State

John J. Conroy, U.S. Member of SEATO Permanent Working Group, American Embassy, Bangkok

Sterling J. Cottrell, Minister, Political Adviser to CINCPAC

Lt. Col. Joseph M. Flesch, USA, Office of Assistant Secretary of Defense

Lewis E. Gleeck, Jr., Special Assistant for SEATO Affairs, Department of State

Alfred LeS. Jenkins, Regional Planning Adviser, Far Eastern Affairs, Department of State

Howard D. Jones, Adviser to the Special Assistant for SEATO Affairs, Department of State

Harold Kehm, Department of State

Robert H. Knight, Deputy Assistant Secretary of Defense for International Security Affairs

Donald MacPhail, Assistant Deputy Director for Operations, International Cooperation Administration

Harold G. McConeghey, Regional Affairs Officer, Far East U.S. Information Agency

John Gordon Mein, Director, Office of Southwest Pacific Affairs, Department of State

Rear Adm. E. J. O'Donnell, USN, Regional Director for Far Eastern International Security Affairs, Department of Defense

William V. Turnage, Special Assistant to Assistant Secretary for Economic Affairs, Department of State

Col. Lynn E. Witt, USAF, SEATO Affairs Adviser to CINCPAC

Secretary of Delegation

Joseph M. Schutz, Office of International Conferences Department of State

The Challenge of Our Times

by Ivan B. White
Deputy Assistant Secretary for European Affairs[1]

Greetings to the class of 1960 from that of 1929!

In the intervening 31 years a portion of my time has been spent teaching my friends east of the Mississippi River the proper pronunciation of the name of the oldest university west of the Mississippi. On a similar occasion in 1929 our commencement address was given by a leading journalist, who assured us that we were departing into a prosperous world where we would find the abundant life. Our graduating class marched joyously from Waller Hall into the stock market crash of 1929 and the depression of the 1930's. Fortunately the American people have learned enough about the control of business cycles so that you will not be faced with such an unfortuitous beginning for your future. I would be remiss, however, if I led you to believe that the world into which you are marching is one typified by the good positions you are obtaining or by the vast range of consumers goods which you will be purchasing.

It is true enough that the young people of today have advantages which their parents never possessed; they have been freed from certain types of material hardships, and certain old-fashioned challenges no longer concern them. The fact remains that you face new difficulties and challenges that are so imposing as to be terrifying. Some of these difficulties and challenges are virtually impossible to cope with on the basis of individual effort, since they derive from the entire international environment in which modern Americans must live. Many aspects of the individual's personal life today—his job, his career, his family plans, and his personal security—depend in large measure upon world events over which the individual himself has little direct control. One cannot reasonably be envious of today's college graduate simply because he has escaped the hardships of a great economic depression, when we realize that he must live constantly under the shadow of annihilation and that he may be compelled to live out his entire life within the framework of a gigantic and unceasing struggle for the survival of his form of civilization.

I do not want to imply that the international scene presents the only challenge to the young people of today. There are many others, and, in fact, unless we meet the challenges at home we cannot and will not meet them abroad. However, I feel strongly that there is no challenge more difficult or consequential than that which emanates from the sphere of international relations. It is here that the destiny of modern man is most likely to be decided. The entire world has changed drastically during the last 20 years, and the task of adjusting ourselves to survive and prosper in the perilous international climate of today is one of the most staggering tasks that has ever confronted mankind in any stage of its history.

Major Changes in Last 20 Years

Let us look briefly at some of the things that have happened to the world during the last 20 years and which have produced the present perils in the international situation.

In the first place, the world has grown incredibly smaller. I recently flew to Europe in the same number of hours as the days required to make a similar voyage by sea a few years earlier. All over the world more rapid means of transportation and communication have revolutionized our geographic concepts and have forced the United

[1] Address made at commencement exercises at Willamette University, Salem, Oreg., on June 5 (press release 301 dated June 3).

States to be an integral part of the world community, whether or not we might otherwise have chosen to do so. Only a few fanatics can pretend any longer that a policy of isolation is reasonable or even possible. We must remember that the days of isolation were the days when the United States was relatively invulnerable to military attack from abroad or to political and economic events in other lands. This invulnerability has been irretrievably lost, and the "alien breeds beyond the law" are now sitting in our living room.

Jesus of Nazareth once defined the term "neighbor" to encompass the entire human species regardless of creed, nationality, or geographic location. Despite centuries of Christian teaching, this concept never received more than partial acceptance by many of the citizens of the Western World. But today the radio, the jet plane, and the guided missile have accomplished what teaching alone might never have accomplished. All men indeed have become neighbors—not as a matter of choice but as a matter of fact.

Concurrent with this geographic shrinkage has come an equally astounding growth in the economic interdependency of nations. There are few nations which have been so favorably endowed with human and material resources as the United States. Even in our own country, however, our prosperity depends increasingly on foreign markets, and American business and industry have simultaneously become increasingly dependent upon foreign sources of raw materials. There are now more than 50 key commodities which are important both to peacetime production and to national defense which America is compelled to import from foreign lands. As a result the job of an American worker in a small Pacific Coast factory may often depend upon a minor political or economic development in a province of Asia or Africa whose name he has never heard of.

A third major development in the international situation during the last 20 years has been the terrifying growth of weapons technology. All of us are familiar with this problem, and I need not dwell on it at great length. Yet it continues to stagger my imagination when I realize that a single American bombing plane can today carry more explosive power than was used by all the bombs and gunfire in the First World War, the Second World War, the Korean war, and all the other wars of human history combined. Nor is it comforting when we also realize that a nation whose rulers are hostile to our way of life possesses an abundant supply of these same weapons.

The galloping development of weapons technology has presented us with a political and moral dilemma unparalleled in history. Despite our numerous efforts at international organization, the peaceful settlement of disputes, and the application of international law, military force is still the final arbiter of conflicting interests on the international scene. Under present conditions no sensible nation can afford to dispense with its weapons any more than the frontiersman of the 19th century could afford to relinquish his revolver and his rifle. At the same time what we have now developed is a form of *absolute* force, a series of weapons systems so powerful and horrible that their use on a broad scale might result in the utter physical devastation of all antagonists in a major war and perhaps the destruction of the remainder of human civilization as well.

Shift in Power Balance

What makes our dilemma especially painful is the fact that the development of techniques of absolute destruction has in no way removed or alleviated the political, economic, and social conflicts which have so often led to war in the past. On the contrary we are currently engaged in a conflict which is fully as intense and momentous as any other in history. One of the most striking events of the past 20 years has been the shift of the world power balance—the vast growth of a Communist empire which now embraces approximately one-third of the world's population and territory. The rulers of this vast empire have expressed a fierce determination to continue the process of expansion—to bring additional peoples and territories under Communist control, until the Communist system attains overwhelming superiority in population, resources, science, industrial and economic capacity, and all the other elements of power. Their ultimate goal, which they proclaim without hesitation or apology, is a universal Communist state of which the United States would become merely a province.

The threat emanating from the Communist drive for world domination has inevitably produced a bitter and unceasing struggle for survival on the part of the United States and other free nations, a struggle that has been aptly described as the "cold war." This struggle has many facets

Some people think of the cold war primarily in terms of the armaments race—the vast buildup of weapons and delivery systems by both sides. This is certainly an important and dangerous element in the struggle. At the same time we must recognize that the Communist rulers have become extraordinarily adept at applying a variety of techniques of aggression. They undoubtedly have a natural reluctance to unleash a nuclear holocaust which might well prove suicidal to themselves, but this does not mean that they are willing to abandon their efforts to secure control of foreign peoples and territories by other means. Their techniques include fomenting and aggravating civil strife, the sabotage and subversion of existing governments and social institutions, the constant search for superiority in science and technology, the continuous outpouring of clever and voluminous propaganda, and the employment of crafty economic inducements and pressures. Because their entire economic system is under the control of the state, they are able to use their foreign aid programs and even their commercial intercourse with other nations as a deadly means of political penetration. It should be clear that Americans and other free peoples who wish to resist the Communist campaign for world domination will be required to do battle on many fronts, including areas of activity where American knowledge and experience are often inadequate.

Side by side with the continuing cold war there have been other radical changes in the international environment. The colonial empires of the past century have largely disappeared, and the peoples of Africa and Asia are rapidly achieving independence. Simultaneously these people are demanding urgent action through an improvement of their economic and social conditions. In brief, more than half the world's people are currently in a state of political and economic revolution. In many places this revolution is long overdue, and there is reason to hope that its consequences will be a period of rapid progress toward the elimination of oppression, fear, ignorance, poverty, and disease—in other words, a period of genuine progress toward human freedom and well-being.

At the same time we would be foolish not to recognize that the widespread revolutionary climate simultaneously produces dangerous opportunities for Communist penetration. The people of Africa and Asia are in a very great hurry to improve their political, economic, and social conditions and thus may be receptive to offers of assistance from those who promise them an "easy way" to achieve their goal. Most African and Asian leaders realize that this "easy way" is a bitter fraud, but unless other ways can be found to permit them to realize their aspirations for freedom, security, and well-being, these emerging people may become gradually ensnared by a new form of imperialism more brutal and more difficult to shake off than anything they have experienced in the past.

The world picture which I have briefly sketched is neither attractive nor comforting. But it is very real. It is the world in which the young people of today must live.

Encouraging Developments

Now at this point I would like to remind you that realism is not the same thing as pessimism. I don't want to hoist only storm warnings nor to leave the impression that the international picture is one of unrelieved gloom. If we review recent history, we find several developments from which we can take comfort and confidence.

Despite a number of international crises and despite dire threats by the rulers of the Soviet Union and Communist China, we have thus far avoided general war. With each passing year, as the dangers of modern weapons become more apparent, there is reason for hope that all the governments of the world, whatever their political complexion or ambitions, will understand more clearly the terrible risks involved in any resort to military force.

Recent efforts to extend Communist power and influence have encountered stubborn resistance. In Europe there have been no Communist territorial gains since NATO was formed and Communist political power has lessened in almost every free European country. While undeveloped Asia and Africa may be somewhat more vulnerable to Communist penetration, there have been no Communist territorial gains in this vast area since the partition of Viet-Nam in 1954, with the northern half becoming Communist. Moreover there is considerable evidence that the Asians and Africans are gradually becoming more keenly aware of the true character and purposes of Sino-Soviet imperialism.

The free nations have maintained and improved their strength and unity. The United States has

alliances with 44 free nations, which in combination add substantially to the military strength of our own country. These alliances also provide a framework for growing political and economic cooperation. The economic position of many of our allies, like the United States itself, has improved greatly since the dark days following World War II. During recent years we have heard much of the rate of economic growth in the Soviet Union, but it is significant that Western Europe has surpassed the Soviet Union in this respect. All told, the actual and potential resources of the free world, both human and material, are still far superior to those of the Communist bloc.

Most important of all, I think, has been the evolution of American and allied attitudes. Thoreau once said that our "frontiers are neither East nor West, but wherever a man faces a fact." I believe we have learned to face facts and to meet difficult problems and constructive action. Thirty years ago the idea of spending large sums of money to protect the military security and promote the economic growth of other nations would have seemed incredible. Today the necessity of this kind of action is largely taken for granted, not only here but in several allied nations. In the same way we have learned to live with anxiety and tension without giving way to panic. We know that there is no easy escape from our perilous international environment, and so we have begun to cut our clothes to fit the cloth. That the governments and peoples of the entire free world remained relatively calm during the recent crisis at the summit is in itself a fact of tremendous significance.

Outlook for Future

What can we say at this time about the outlook for the future? Most of us can agree that the future course of international events is highly speculative, but there are certain facts which stand out with great clarity.

First, we are required to take every reasonable step to resolve our differences and conflicts with the Communist bloc on a peaceful basis. General warfare is a luxury which mankind can no longer afford. At the same time we must recognize, paradoxically enough, that our ability to avoid war will probably depend in large measure upon our capacity and willingness to fight for our fundamental interests. There are worse dangers than the dangers of the arms race or a military stalemate. The day that the Soviet rulers decide that the peoples of the United States and the free world have become unable or unwilling to defend themselves might well be the day when a third world war would become inevitable.

As you know, our Government and our allies have recently engaged in a broad effort to resolve certain critical international difficulties with the Soviet bloc. We are trying to achieve general disarmament under effective international controls, which would not only reduce the danger of war by accident or miscalculation but which would also permit us to devote an enormous quantity of money and resources to more positive purposes. We have attempted to resolve certain inflammatory political issues, such as the continued division of Germany and the threatened isolation of West Berlin. We are also attempting to reach agreement on an enforcible ban on nuclear testing and on United Nations cooperation in the field of outer space.

The recent summit meeting, as you know, was deliberately torpedoed by the Soviet leaders. It is too early to assess what effect this will have on the future course of negotiations. The United States and its allies remain ready to negotiate seriously on these and other outstanding issues, and we hope that the Soviet rulers will eventually recognize that their own interests will best be served by doing likewise. We believe the Soviet rulers themselves wish to avoid all-out military hostilities and hope that they will eventually join in a series of concrete agreements designed to reduce dangers of a suicidal war.

At the same time it is equally important for us to recognize another fact. Whatever agreements we may achieve with the Soviet Government—whatever political problems may be resolved, however much progress we may make toward reducing the danger of military hostilities—we have no reason to expect that the Soviet rulers during the foreseeable future will abandon their ambitions or efforts to make communism prevail throughout the world. It is almost inconceivable that the Communist propaganda mill will cease operations, that Communist political parties in other lands will be dissolved, or that the Communist empire will stop using its trade and aid programs to promote Communist political influence. Thus we would sadly delude ourselves if we should assume that there is likely to be an early end of

the international struggle known as the cold war, or any real reduction of the intensity or significance of this struggle. The best that we can hope for under present circumstances is that the struggle can be conducted without resort to military force.

The Communist propagandists have often portrayed the cold war as a product of suspicion and misunderstanding in which both sides are equally culpable. They have urged the end of the cold war and the beginning of an era which they describe as "peaceful coexistence." Unfortunately their definition of peaceful coexistence differs very little from the free world's definition of the cold war. As the Soviet rulers visualize peaceful coexistence, they would be free to continue to promote Communist influence by all means short of military hostilities, whereas the free world would be asked to abandon all efforts at organized resistance to Communist penetration. Meanwhile the Iron Curtain would remain firm and the peoples under Communist rule would continue to be shielded from access to the ideals and instruments of freedom. In effect, when the Soviet rulers speak of peaceful coexistence, they are asking us to engage in a sort of football game under special rules which would require the entire contest to be played inside their opponent's 50-yard line.

What I am saying adds up to a pretty grim conclusion. In all probability the young people of today will be compelled to continue an intensive political and economic contest with the Communist bloc for an indefinite period, perhaps for their entire lifetimes. It is a struggle that must be fought in remote corners of the world with strange weapons. It is a struggle in which victories and defeats must be calculated in terms of the income of a peasant in the rice paddies of Burma, the safety of a citizen of Berlin, and the status and dignity of a native of the Congo. It is a struggle which is immensely complicated in terms of the techniques to be employed and the goals to be attained. But it is a struggle which must eventually be won if American society and free civilizations are to endure.

For myself, however, I am not pessimistic about the outcome of the struggle. There are some historians who suggest that the Spartans will always defeat the Athenians and the barbarians will always overwhelm Romans—that the societies based upon brutality and power will always triumph over the societies which give primary attention to human values. But the lessons of history are complex and variable. While history has recorded the fall of a number of highly developed civilizations, we must remember that history is also a vast graveyard of tyrants. Brutality and oppression do not always win; in the long run they almost always lose. If free societies understand the nature of the struggle which they face, and if free peoples maintain the intelligence and stamina to carry on this struggle, we have every reason for confidence that free civilization will survive.

For some years it was unclear whether our struggle with international communism was of the character of a 100-yard dash or of a marathon contest. In retrospect it is clear that it is both. Over the short term the problem is essentially one of physical survival. Over the longer sweep of events the challenge is whether we can be so responsive to the aspirations of the underprivileged, uncommitted peoples as to attract them to a free civilization and away from the godless, freedomless enticements of the Communist world.

This dual challenge will require of you the courage of our forefathers who came West in the covered wagon, the selfless dedication of Oregon's circuit riders, and the intelligent application of the knowledge and understanding which Willamette's liberal education has given you.

Secretary Herter Deplores Remarks by Premier Khrushchev

Statement by Secretary Herter

Press release 305 dated June 4

All America, I am sure, shares the disgust I feel at the ill-tempered attacks emanating from Mr. Khrushchev. It is understandable that Mr. Khrushchev, in seeking to divest himself of the responsibility—known to all the world—for the disruption of the Paris summit conference,[1] should seek to confuse the issue in any way that he can. This, however, does not excuse his personal attempts at vilification. I can only add that I deplore the degradation of the standards of international relations which he is attempting to bring about. His remarks reflect credit neither on himself nor on his Government.

[1] For background, see BULLETIN of June 13, 1960, p. 947.

U.S. Protests Cuban Campaign of Slander Against United States

Press release 304 dated June 4

Following is the text of an aide memoire delivered on June 4 to the Foreign Ministry of Cuba.

In view of the campaign of slander being directed against the United States by representatives of the Government of Cuba, including the Prime Minister and the President during the latter's present visit to certain countries in Latin America, the United States desires to set the record straight with respect to its efforts to maintain its traditionally friendly relations with the people of Cuba and to make clear to everyone the nature of the response which has been received from the Government of Cuba.

1. President [Osvaldo] Dorticos, when recently in Montevideo, expressed a desire to end campaigns of "lie and deceit", yet at the same time announced that properties of United States citizens in Cuba had not been "confiscated" but had actually been "expropriated" and their owners reimbursed for such properties. In fact, however, to our knowledge not a single American property owner has been reimbursed for the lands taken from him.

2. The United States has a long record of cooperation with countries seeking to carry out sound policies of agrarian reform and in various official communications to the Government of Cuba over the past year it has voiced its sympathy with the legitimate aspirations of the Cuban Revolution. On January 26, 1960, the President of the United States made special reference to this point in his statement on United States–Cuban relations.[1] The United States Government, however, cannot but protest in the strongest way the utter disregard for international and Cuban law with which American property owners in Cuba have been treated since the enactment of the Agrarian Reform Law of June 3, 1959.[2] Property has been confiscated, expropriated or intervened, frequently without receipt, and the owners, many of whom have made substantial contributions to Cuban national development, have physically been expelled from their lands.[3] Individually owned properties as well as large corporations with thousands of small stockholders, both Cuban and American, have been subjected to arbitrary intervention and control by the Government of Cuba, which has resulted in a tremendous loss in capital values and the destruction of vital credit standings.

3. Payments due to American exporters for goods shipped to Cuba in good faith over the past year have accumulated to over $100 million although in the same period dollar exchange has been found by the Government of Cuba to purchase armament worth tens of millions of dollars and to increase total dollar reserves.

4. On April 11, 1960, this Government asked the Government of Cuba if the views expressed by Dr. Ernest Guevara, President of the National Bank of Cuba, on March 2, 1960, with regard to United States–Cuban economic relations, represented the official position of that Government. Among other things, Dr. Guevara had asserted that "the representatives of the (American) sugar companies are trying to show that by selling to another country (USSR) we are enslaving ourselves and they have never stopped to analyze what amount of slavery the three million tons of our sugar which we customarily sell at supposedly preferential prices to the *giant of the north* has meant and means for the people of Cuba". To date no reply has been received from the Cuban Government.

5. The Prime Minister of Cuba recently charged the United States Government with a desire to cause serious harm to Cuba because of its decision to terminate in an orderly manner the United States program which has been providing technical assistance to Cuba for over eight years. With regret it must be stated that this absurd charge cannot be dismissed as an inadvertent or ill considered remark which has no place in the reality of present Cuban policy toward the United States. For many months the United States Government has watched the development by the Government of Cuba of a calculated campaign to misrepresent and denigrate the special economic relationships between our two countries which have worked to the mutual benefit of both people for over 50 years.

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[1] BULLETIN of Feb. 15, 1960, p. 237.

[2] For text of a note stating certain views of the U.S. Government on the Agrarian Reform Law, see *ibid.*, June 29, 1959, p. 958.

[3] For background, see *ibid.*, Feb. 1, 1960, p. 158.

[4] *Ibid.*, June 13, 1960, p. 962.

6. The Government and people of the United States emphatically reject the theme often repeated by various high officials of the Government of Cuba that the close economic association between our two countries has worked to the detriment of the Cuban economy and well being. On the contrary, we believe that this association has made constructive contributions to the overall development of Cuba.

7. With regard to the unauthorized flights over the territory of Cuba there is evidence that certain Cuban officials, far from cooperating with the United States to prevent them, have conspired and connived in the violation of United States laws and regulations designed to protect Cuba from such incursions.

8. The United States Government told the Cuban Government on March 7, 1960 that it vigorously rejected and protested the unfounded and irresponsible implication voiced by the Prime Minister, of United States responsibility for the unfortunate explosion of the ship, La Coubre, in Habana harbor on March 4, 1960. Notwithstanding this, and in the absence of any evidence to support this charge, the Cuban Government has recently distributed a pamphlet imputing the responsibility to the United States Government for this tragedy, an act which this Government finds to be offensive.

9. On May 14, after the Cuban Prime Minister had boasted that a Cuban patrol boat had fired upon a United States submarine and pursued it for thirty miles, the United States requested of the Cuban Government an explanation for this unprovoked attack on a United States vessel while on the high seas.[5] At the same time our Government vigorously rejected the false allegation of the Cuban Prime Minister that the submarine had been within Cuban territorial waters. No reply to this representation has been received from the Cuban Government.

These are some illustrations of the unwarranted campaign against the United States with which the present Cuban regime seeks to sow distrust and animosity, despite its protestations that it seeks friendship and understanding. An intense official campaign of slander like this does not promote the climate of economic cooperation and peaceful development which the people of the United States, like those of all this hemisphere, certainly seek.

[5] *Ibid.*, May 30, 1960, p. 854.

President Eisenhower Holds Talks With Prime Minister of Canada

The Prime Minister of Canada, John G. Diefenbaker, at the invitation of President Eisenhower, made an official visit to Washington, D.C., June 3–4. Following is the text of a communique released on June 4 following the Prime Minister's visit, together with Secretary Herter's welcoming remarks at Washington National Airport on June 3 and a list of the members of the Prime Minister's party.

JOINT COMMUNIQUE

White House press release dated June 4

The Prime Minister of Canada, the Right Honorable John G. Diefenbaker, and the President of the United States have consulted on a wide range of subjects of both an international and bilateral nature. The Canadian Ambassador at Washington [A. D. P. Heeney] and the Secretary to the Canadian Cabinet [R. B. Bryce] assisted in the discussions, together with the United States Secretary of State and the United States Ambassador at Ottawa [Livingston T. Merchant].

The Prime Minister and the President were in agreement on measures which should be taken to maintain the security of the free world. They reaffirmed their determination to continue to work for peace with justice. Particular attention was paid to the importance of achieving, with effective international control, an end to nuclear testing and progress toward general disarmament.

The Prime Minister and the President reviewed the course of relations between their countries during recent years and noted with pleasure the extent to which the problems arising in such relations have yielded to the process of friendly and continuing consultation. They considered that satisfactory means of carrying on such consultation have been established in personal exchanges

as well as by regular diplomatic arrangements and the various joint committees that have been created. They expressed their belief that there has been established between the two countries a model for the relationship between neighbors.

REMARKS BY SECRETARY HERTER

Press release 302 dated June 3

Mr. Prime Minister: On behalf of the President and Mrs. Eisenhower, it is an honor and a pleasure to bid you and Mrs. Diefenbaker welcome to Washington. Canada is our great neighbor to the north, and we deem it of special significance that you have been able to come here to discuss with the President our many mutual interests. Your trip here emphasizes the warmth and friendliness of the relations between our two countries, a fact which we prize highly.

The American people, I can assure you, join in these sentiments and wish you a most pleasant and useful visit to our nation's Capital. We look upon you and your country not merely as neighbors but also as close friends bound together over many generations by ties of respect, good will, and mutually fruitful cooperation.

MEMBERS OF PARTY

The Department of State announced on May 31 (press release 293) that the following persons would accompany Prime Minister Diefenbaker during his visit to Washington.

Mrs. Diefenbaker
A. D. P. Heeney, Ambassador of Canada
Mrs. Heeney
R. B. Bryce, Clerk of the Privy Council and Secretary to the Cabinet
H. B. Robinson, Special Assistant to the Prime Minister
M. J. Deacey, Private Secretary to the Prime Minister

Mr. Bacon Named U.S. Commissioner on U.S.-Canada Joint Commission

The White House announced on June 1 that the President had on that day appointed Edward A. Bacon to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada, vice Douglas McKay, deceased.

U.S. Expresses Sympathy to Japan on Tidal-Wave Damage

SECRETARY HERTER TO FOREIGN MINISTER FUJIYAMA

Press release 282 dated May 26

Secretary Herter on May 25 sent the following message to His Excellency Aiichiro Fujiyama, Minister of Foreign Affairs of Japan.

I was distressed to learn of the extensive loss of life and damage suffered in the tidal wave that struck northern Japan. I wish to express through you to the people of Japan the heartfelt sympathy of the Government of the United States.

MESSAGES OF FOREIGN MINISTER FUJIYAMA

Press release 296 dated June 2, for release June 3

Mr. Fujiyama to Secretary Herter

The following message was received on May 30 by Secretary Herter from Aiichiro Fujiyama, Minister of Foreign Affairs of Japan.

MAY 28, 1960

DEAR MR. SECRETARY: On behalf of the Government and the people of Japan, I wish to express my deep appreciation for the warm sympathy extended by you and the American people on the distress caused by the recent tidal waves.

Sincerely yours,

AIICHIRO FUJIYAMA

Mr. Fujiyama to Ambassador MacArthur

Foreign Minister Fujiyama's message was sent to Ambassador Douglas MacArthur II under cover of the following transmittal letter.

MAY 28, 1960

DEAR MR. AMBASSADOR: I should be most grateful if you could forward to Secretary Herter the enclosed letter of appreciation for the warm sympathy extended to the people of Japan suffering from the recent tidal wave.

I also wish to express my heartfelt appreciation for the warm sympathy of yourself and your kind offer of help to the distressed people.

Lastly let me convey the deep thankfulness of the communities concerned for the active cooperation in the relief work now being given by the United States Forces.

Yours sincerely,

AIICHIRO FUJIYAMA

Need for Public Understanding of the Mutual Security Program

by Under Secretary Dillon[1]

It is a privilege to take part in your deliberations at this critical stage in international affairs. There is no need for me to dwell on recent events—events which clearly demand that we intensify our efforts to strengthen the free world, militarily, economically, and spiritually. These events underscore our national need for the Defense Executive Reserve.

Your organization grew out of the realization that, so long as international tensions persist, the United States will require a ready civilian reserve to meet sudden emergencies, just as it requires a trained ready reserve for the Armed Forces. You are dedicated to the proposition that the United States must keep up its own defenses and those of its allies so that no aggressor will be tempted to strike.

One of our dearest national dreams is a just and lasting peace for all the world. We earnestly and tenaciously seek practicable ways of reducing armaments through internationally controlled agreements. Yet hindsight enables us to see clearly that, whenever the United States lets down its guard or disarms unilaterally, aggressors are tempted. If aggression should come to us or to our allies in such circumstances, we would in some measure have brought it upon ourselves.

We learned in two world wars and on the hills of Korea the terrible cost of halting aggression and the enormous cost of restoring peace and rebuilding shattered economies. We should also have learned that the cost of *maintaining* peace by *deterring* aggression is infinitely less. We should have learned for all time that lowering our guard encourages aggression against both our allies and ourselves.

[1] Address made at the second national training conference of the National Defense Executive Reserve at Washington, D.C., on May 23 (press release 277).

One would think that after the lessons of two global conflicts and after our experience in Korea there would be little risk of our making the same mistake all over again. Unfortunately this is not the case. Today we as a nation are once more in danger of falling into the same tragic error.

Continuing Need for Mutual Security Program

We would be taking a giant step in this direction if, through indifference or apathy, we permitted the President's request for mutual security appropriations to be substantially reduced. Unfortunately there are men of influence who have publicly served notice of their desire to slash the President's request drastically. The American people should know that if they allow this to happen the possibilities of armed aggression in the years immediately ahead will be immeasurably increased.

The time has come to talk fully and frankly of this peril. We who have the facts would be derelict in our duty if we did not point out the danger which may be brought upon our people if they lack knowledge and understanding of the crucial importance of the Mutual Security Program and of the necessity of maintaining it at adequate levels.

The President on May 2, in a remarkable address here in Washington,[2] pointed out the overall importance of mutual security and warned of the assault that was being mounted against it—an attack which, if successful, would threaten the security of our country by undermining the capacity and the will of our allies to resist aggression.

Such action on our part at this time could only be construed by the Soviet leaders as a confession

[2] BULLETIN of May 23, 1960, p. 811.

of weakness and as an open-ended invitation to accelerate their aggressive designs. Copies of the President's message have been made available at this conference. I urge any of you who have not previously done so to read it carefully. I hope you will pass it on to your friends and associates. The time to widen public understanding is short. The Congress has once again completed action on legislation authorizing the continuation of the Mutual Security Program substantially as recommended by the President. This session of the Congress is expected to end early in July, and action on the vital appropriation bill will be taken before then.

Those who support this program in the face of unremitting attack deserve encouragement. Those who are undecided need help in placing the national interest above local and parochial concerns. Those who are opposed need help in understanding that failure in this area must inevitably mean retreat and crisis for America. Every American can and should enlist in this great crusade.

Military Assistance Program

Tonight I want to talk with you about two aspects of the program that are not well enough understood: the military assistance program and the increasing efforts of our friends and allies in the whole field of mutual security.

The military assistance program dates principally from the Korean war, when large sums were appropriated for military aid to our friends and allies, both in NATO [North Atlantic Treaty Organization] and elsewhere around the globe. In the summer of 1953, after the termination of hostilities, we found that we had $8½ billion of military assistance funds appropriated and unspent. This is what has come to be known as the "military assistance pipeline." Obviously a careful and orderly program to build the military strength of our allies could not possibly use that much in a single year's time.

We could conceivably have canceled all or a substantial part of this unused appropriation and put ourselves immediately on an annual basis where outgo equaled appropriation. Instead we chose to draw gradually on the unused funds in the pipeline to supplement annual appropriations that were deliberately kept at a level well below required expenditures. This course had the full approval of both the administration and the Congress.

As a result the pipeline has now been drawn down to about $2 billion, because for the past 7 years we have been relying upon it to supplement our annual military assistance appropriations. Thanks to this pipeline we have, ever since 1953, been appropriating each year some $900 million *less* than what we actually needed and what we actually spent.

Unfortunately this arrangement is no longer possible. We cannot further reduce the pipeline without sharply cutting our deliveries of military equipment. This is why we now need substantially increased appropriations for military assistance.

For the past 4 or 5 years expenditures under our military assistance program have been stabilized at about $2⅓ billion annually. While the size of the overall program has remained relatively constant, its direction has shifted significantly. In general, expenditures for our economically resurgent NATO allies—the United Kingdom, France, and Germany—have substantially declined as they have regained the capacity to carry their share of the common defense burden. Meanwhile the costs of maintaining and strengthening allied forces in the Far East have increased.

Last year we conducted a thorough and detailed review of the program. Our own efforts were supplemented by a bipartisan panel of outside experts under the direction of William H. Draper.[3] The conclusions of the two studies were nearly identical: Both agreed that a *minimum* program of about $2 billion annually would be required for some years to come. Bear in mind that this represented a *reduction* of nearly 15 percent below the level of previous years.

It is for this reduced program that we are asking $2 billion for next year. It is true that this sum represents an increase of $700 million over the current year's appropriation. But we must remember that this year, for the last time, we were able to draw down substantially from the pipeline, which is now reduced to the point where future deliveries must be fully covered by new appropriations.

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[3] The Composite Report of the President's Committee To Study the United States Military Assistance Program is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. The price for vol. I is 60 cents, for vol. II (annexes) $1.

Today we have a clear choice: Either we appropriate the $2 billion required to maintain the free world's strength or else we tell our allies that we are no longer willing to support the military forces that our Joint Chiefs of Staff have agreed are the minimum required in our own national interest.

The views of our military leaders are categoric and are on the record many times over. They consider mutual security to have a priority fully equal to any portion of our own defense program—of which it is part and parcel. All of our military leaders have said that they would not willingly accept additional funds for their own services if they were obtained at the expense of mutual security needs.

Efforts To Improve Administration of Program

Those who would slash mutual security often decry what they describe as "waste" in its administration. They also stress allegations that the military services have in the past "overcharged" the Mutual Security Program for certain items of equipment. Undoubtedly there have been some overcharges and some individual cases of waste. But you do not sink the Navy, disband the Army, ground the Air Force, or close up your business because of errors. Instead you strive to correct the errors. That is precisely what we are doing in administering the military assistance program—and with real success.

We Americans must not permit ourselves to be misled by reckless charges of "waste" and "maladministration" or distracted from the primary job of maintaining free-world defenses. We must renew our determination to do the job and to do it as effectively as possible. We must use the information developed by continuing investigations to strengthen and improve the Mutual Security Program, not to destroy it and, with it, the safety of our families and of our country. Certainly the very moment when the Soviet leaders are once again threatening rocket attacks is no time for us to tell our allies that the United States has lost the will to provide the assistance they need for the common defense against Communist aggression.

I have dwelt so heavily on military assistance because it is such an important part of our overall mutual security effort and because it is utterly inconceivable to me that our people would knowingly let down their guard in the face of the recent Soviet threats.

The President originally asked for an appropriation of $4,175 million for the whole program. Congressional action in approving the authorizing legislation has reduced that figure to $4,086 million.

This is the sum we are now seeking. Last year we received $860 million less than we are now requesting. Critics argue that we somehow managed to live with that amount. But they overlook some simple arithmetic: This year we require $700 million more merely to continue the military assistance program as it has operated in the past, since we no longer have the pipeline to fall back upon.

The remaining difference between last year's appropriation and this year's request is accounted for by an increase of $150 million for the Development Loan Fund—our primary national instrument in the battle to give hope to the hundreds of millions in the newly developing lands. With the exception of this modest increase in much-needed economic assistance, our contemplated program is no larger than last year's. The big difference is that at last the time has come when we must foot the bill on a pay-as-you-go basis instead of depending upon unexpended funds originally appropriated during the Korean war.

I ask you and each and every one of you to explain to your friends and associates back home these simple facts about mutual security that so deeply affect our future as a free people. Once they are generally and fully understood, there can be no doubt whatsoever that the American people will respond affirmatively in meeting this important national need.

Allies' Contributions to Mutual Security

Now to another matter which also is too little understood: I refer to the demonstrated willingness of our stronger friends and allies to assume a greater share of the common defense burden and to play larger roles in helping the peoples of the newly developing lands in their epochal struggle against the evils of hunger, poverty, disease, and illiteracy.

There is a widespread illusion in our country, even among some who are otherwise well informed, that only the American taxpayer is carrying a significant share of this expense. This is simply not true. The people of England, France, Canada, and Germany are all making large and

steadily increasing contributions. The people of Japan and Italy are also playing significant parts. In the case of both the United Kingdom and France the share of national income devoted to military and economic assistance already approximates the portion of our own national income that we devote to these programs.

In addition, our NATO allies are steadily and substantially increasing their own defense expenditures. In each of the past 2 years they have increased these expenditures by more than a billion dollars. Again this year they are spending substantially more than last, and there is every indication that 1961 will see a further increase.

Furthermore, except for a few prior commitments for specific military items, we are no longer furnishing military equipment on a grant basis to England, France, or Germany. These countries are now able and willing to purchase their own equipment.

In the field of economic assistance the United Kingdom has, over the past 3 years, doubled the amount of aid she is providing to newly developing countries. France for some years has poured very substantial amounts of economic help into the territories of the French Community. These countries are now rapidly achieving independence, and France has volunteered to continue to provide them with assistance on the same scale after they become independent.

In speaking of England and France we have no right whatsoever to ask: "When will they begin to do their share?" They are doing it today and give every indication of continuing to do it.

It is true that certain other countries have recently developed sufficient economic strength to join more fully in the development task. West Germany and Italy, in particular, come to mind. However, leaders of both these countries have publicly recognized their responsibilities and have signified their intention to develop programs that will assume a fair share of the overall effort.

Free-World Participation in Development Field

I have been speaking of direct contributions to development needs by our stronger allies. On a wider scale the whole free world is joining to form the new International Development Association. This is to be a billion-dollar organization closely related to the World Bank. Of its total capital, other industrialized countries will contribute nearly $3 for every $2 that we put up.

As the President has so well said, "The very moment when other countries are recognizing their responsibilities is no time for us to walk away from our own." [4]

His admonition has been forthrightly seconded by one of our national Capital's leading newspapers,[5] which said in a recent editorial urging full support of the President during these trying times:

> Not only are foreign economic and military assistance keystones of the Eisenhower program, they are also a means of demonstrating to the Soviet Union that this country and its allies cannot be divided by bluster and threat and that American purposes overseas are not the selfish or aggressive ones that Mr. Khrushchev says they are.

And a highly respected New York newspaper [6] comments that mutual security

> . . . means solidarity of the United States with our allies and friends of the free world, and a determination to do our best to preserve that freedom and independence for all nations outside the Soviet orbit . . . against a military threat and a politico-economic offensive of increasing magnitude. A wholehearted vote for mutual security would be the one thing that could most surely and quickly strengthen the President's hand in the present crisis.

The other side of the coin is equally important. Any substantial cut would signify to the rest of the world that the United States in this hour of uncertainty no longer has the will to do its share in defense of freedom. We must not, we cannot let this happen. Future generations of Americans will look to see how their forebears met this crisis. I am certain that, once the American people understand what is at stake, history will not find us wanting. Meanwhile we can all do our country a great service by spreading the simple facts—facts which are too little known—facts which *must* be known if we are to make the right decisions.

Thank you.

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[4] BULLETIN of May 23, 1960, p. 813.
[5] The Washington *Post*, May 19, 1960.
[6] The New York *Times*, May 21, 1960.

Thai–United States Cooperation

by U. Alexis Johnson
Ambassador to Thailand[1]

It is indeed an honor to have been invited to oin with you this evening in this honors convoation. Although I today arrived from almost alf a world away, Bangkok and Detroit, and the merican Embassy in Bangkok and Wayne State niversity, are no strangers to each other. Last ear we had the pleasure of welcoming in Bangok a group of Detroit's outstanding businessen and industrial leaders sponsored by the oard of Commerce. My only quarrel with them that their stay was all too short. We look forard to more such visits. However, we have ng had an especially close connection with Vayne State, for it is your university that has een responsible for one of the most important nd successful programs in the field of Thai–U.S. operation for economic development.

You will note that I do not say "U.S. aid to hailand" but rather "Thai–U.S. cooperation," or do I say the economic development just of hailand but rather economic development in eneral. I do this advisedly because our relationip, especially with Thailand, is not just one of nited States "aid" to that country but rather e in which there is full cooperation between our vo Governments in seeking common objectives d in which we, the United States, are simply pplementing, often in a very small way, the very ajor efforts of the Thai Government itself. I so speak of economic development in general ther than just the economic development of hailand, for it is obvious that the economic owth of the United States can no more be diorced from that of Thailand and other similar untries than can the economic growth of Detroit be divorced from that of Chicago, Nashville, or Astoria, Oregon. However, I know that this is a point that I need not labor in Detroit, with your location here on an international boundary and your long record of enlightened interest in international trade and international affairs.

Thailand, the Country and Its People

Although tonight I am wearing this academic cap, I am really appearing before you wearing two other hats to which I am more accustomed. I desire first to put on my hat (I suppose I should say "top hat") as Ambassador to Thailand and briefly to discuss that country with you and then even more briefly put on my hat as SEATO [Southeast Asia Treaty Organization] Council Representative and discuss with you that organization, which will be holding its annual Council meeting in Washington the end of this month.[2]

Although I know that this is not true of many of you in Wayne University, I am sure that the impression of most Americans of Thailand is confined to that Hollywood interpretation of Thailand a century ago known as "The King and I." Needless to say, whatever historical accuracy there may have been in that entertaining film, it bears little resemblance to the Thailand of today. However, next month the United States will have the opportunity to see for itself a real King of Thailand, together with his Queen and their four children, as Their Majesties undertake an extensive official visit as state guests of the United States. I have no doubt that this visit is going to contribute much to a better understanding and

[1] Address made at Wayne State University, Detroit, ich., on May 17.

[2] See p. 983.

knowledge of our two countries, as both the King and Queen well epitomize those qualities of charm and friendliness which are so characteristic of the Thai people and which Americans find so attractive. The American people will also see why the Thai people regard their sovereign with such genuine respect and real affection. This feeling of the Thai people for their royal family is also an important political fact, for it contributes much to that inherent basic political stability of Thailand which has few parallels in Asia. In spite of changes in governments, the Thai monarchy gives a sense of stability and continuity that is in many ways unique.

However, above all, the Thai—whose name literally means "free"—are proud and conscious of the fact that, alone of all the nations in South and Southeast Asia, they maintained their freedom and independence throughout the period of colonial expansion in that part of the world. Thus they are not now under the necessity of going through the inevitable birth and growing pains of those countries which are now newly independent; they do not have those complexes and sensitivities which seem to be the inevitable concomitant of the newly independent and which we can see even in our own early history. The remarkable foresight and abilities of the Thai kings during the 19th and early 20th century—the direct ancestors of the present King—are in large degree responsible for this fact. Instead of futilely resisting change in a changing world and waiting for mass discontent from below or pressures from the outside to force changes, the leaders of Thailand at that time ably charted a course that preserved the independence of the country and its essential internal stability.

It is to this tradition that the present leaders of Thailand are heirs. Internally, as with many other countries of the area, Thailand is still in the process of attempting to find a system which will reconcile its own culture and institutions with modern ideas of representative government. Also, as in other areas, the attempt too literally to follow the institutions which grew up in the very different environment of Europe was not successful. A constituent assembly is now attacking this difficult and complex problem.

Thailand is in the very happy position of not being overpopulated, its density of population being only a fraction of that of most other coun tries of Asia. Thus there is no mass distress o starvation, and there is substantial opportunity fo growth in individual living standards.

Thailand is also unique as compared with man other countries, not only in Asia but in other part of the world as well, in that there is little if an problem of land tenure, which is so often a basi cally unstable factor in the economic, politica and social structures of a country. The over whelming majority of the people of Thailand ar engaged in agriculture, and the overwhelming ma jority of them not only own their own land bu individually they own about as much land as the can cultivate. Thus there is no large class of se riously distressed or dispossessed peasantry read to embrace radical doctrines as supposed solution for their problems.

Thailand also has an exceptional record o financial responsibility and conservative fisc management. Although by no means a ric country, it has throughout recent years mair tained the stability of its currency, and the Tha currency has for long been one of the very fe "hard currencies" in Asia. This has been do without the imposition of rigid controls b rather in largely a free-market atmosphere f both currency and foreign trade.

The relationship between Thailand and th United States also has many unusual feature the first treaty between the two countries bein concluded in 1833, or many years before we we able to establish relations with any other Fa Eastern country. There has never been a serio dispute or issue between the two countries, an since World War II Thailand has taken an e pecially forthright position in defense of freedo notably in the United Nations, Korea, and as stanch member of SEATO. Although geograph cally exposed and at that time without any mutu defense alliance, Thailand was courageous among the very first countries that in 1950 o fered forces to the United Nations Command i Korea. It is, besides the United States, one only two countries still maintaining a force i Korea.[3]

It is against this background that Thailand attempting to develop its economy in freedo and against which it has sought and is receivin

[3] The third country is Turkey.

the modest cooperation of the United States. I feel that Thailand is fully deserving of that cooperation and that they have used it wisely and well.

Thai Program for Development

What Thailand is attempting to do is to develop what the economists often call the social overhead and infrastructure upon which private economic development can take place. That is, Thailand is attempting to develop its educational system, including the technical fields, improve its public health, increase the productivity of its farmers, locate its mineral resources, improve its public administration, increase its power supply, improve its very limited road system, and establish an efficient system of communications. In each of these fields the Thai must and are doing the major part of the job for themselves. They have asked and are receiving our cooperation in supplying what is often the missing element, or that part which they could not supply for themselves and without which the program would fail or be of limited success.

As illustrative of what I am discussing I mention the technical education program with which you here at Wayne have been so closely associated and have played such an important part. In 1952 the Thai Ministry of Education made a small beginning in this field with the establishment of some vocational training classes in a few of the then existing schools in Bangkok. Today, only 8 years later, there is a technical institute in Bangkok with 34 buildings, over 5,000 students, and 200 faculty members. There are a total of 1,500 more students in other technical institutes opened at important centers in the south, north, and northeast.

The greater part of this program has been accomplished by the Thais themselves, but an important and essential element in its success has been that played by Wayne State University under contract with the Thai Ministry of Education and the United States Government. This has involved sending to Thailand, under the capable leadership of your Dr. Gordon Rivers, a team of Americans who share their own experience and skills with their Thai counterparts in organizing and equipping these institutes. It has also involved sending 70 Thai faculty members to the United States for advanced training, many right here at Wayne. This program is now well along the road to completion and approaching the point where it will be able to stand on its own feet without further United States assistance. That is, Wayne State is ably doing what it is supposed to do—work itself out of a job as rapidly as possible.

Although Thailand's needs are still vast, this technical-institute program also well illustrates another very important fact with regard to Thailand—that is, the country is well along with the establishment of the essential public foundation upon which private development can be built.

Also, very importantly and significantly for the United States and Southeast Asia, Thailand has officially and formally adopted the philosophy of encouraging private enterprise and private foreign investment as the road to that economic development. Various measures of tax and import duty incentives have been adopted, and an investment board specifically charged with encouraging foreign private investment has been established within the office of the Prime Minister. The Government is particularly seeking American investment. A few American firms have already established themselves and some others are seriously considering various manufacturing enterprises, for, while modest in size, Thailand offers an attractive market for many goods.

We in the Embassy and our economic mission are also devoting much thought and energy to the same end, for we feel that the success of this endeavor is important not only to our good friend Thailand but also can be an important example to other similarly situated countries. In addition, a stable and prosperous Thailand, based on what we Americans believe is the best and most efficient relationship between government and private business, is important to our own prosperity and well-being. With Wayne State having contributed much to the laying of the foundations, you private businessmen here in Detroit now have much to contribute to this end. I hope that, in considering what you can do to assist in the problems this troubled world is facing, you will not, in your own interest, overlook the possibility of investment in Thailand. The Embassy, as well as the Department of Commerce and other agencies of the Government, is always anxious to be of help.

SEATO's Role in Southeast Asia

I will now put on my hat as SEATO Council Representative briefly to speak of that Organization and its important role in Southeast Asia. First let me say that all too often I hear people attempt to compare SEATO with NATO [North Atlantic Treaty Organization], with the OAS [Organization of American States], or other similar mutual security organizations. I feel that this is a serious mistake as each of these organizations was designed to meet different aspects of Communist aggression and to serve vastly differing areas. Thus I believe it correct to consider these organizations only on their own merits and in the light of the situation existing in the area they were designed to serve.

To do so I need to go back a few years to 1954. To some of you this may seem somewhat remote, but to me personally it is still very recent and vivid. In April of that year I sat down with the American delegation at Geneva across the table from Molotov, Chou En-lai, and Pham Van Dong (leader of the Communist Viet Minh delegation), and I sat there for three trying and critical months. Also represented at the table were France, the United Kingdom, Laos, Cambodia, and free Viet-Nam. While we were sitting there the Communist Viet Minh with direct Chinese Communist support were pressing the French forces ever harder. The Viet Minh pushed into most of Viet-Nam, across Laos to the very borders of Thailand, and south into Cambodia. Then there was the catastrophe of the loss of the entire French force at Dien Bien Phu. Those were dark days for the free world around that table at Geneva but even darker days for the actual and potential victims in Southeast Asia. The Communists were flushed with victory and made little effort to conceal their glee nor their confidence that they could readily push on further. The remaining free nations of Southeast Asia, including Thailand, looked to the future with foreboding.

It was against this background that the United States had quietly proposed the formation of what was to become SEATO. This was, of course, not unknown to the Communists, nor was it intended to be. Thus it was clear to the Communists that, if they continued to press into Southeast Asia, they stood the real risk of involving the United States. It was against this background, in turn, that the Communists entered into an armistice with the French, Laotian, and Cambodian Governments that confined the Communist gains to the area in Viet-Nam north of the 17th parallel.

Following this, in the fall of 1954 the Manila Pact,[4] which established SEATO, was concluded with Australia, France, Pakistan, the Philippines, New Zealand, Thailand, the United Kingdom, and the United States as members. In recognition of Thailand's key position in the pact, Bangkok was selected as the headquarters of the Organization. The pact not only contained provisions for mutual defense by members of the pact but an unusual and very important provision that the parties to the treaty would, at the request or with the consent of the government concerned, defend the territory of south Viet-Nam, Laos, or Cambodia against Communist aggression. Thus the benefits of the treaty are extended to those latter countries, although they are not parties to the treaty or members of the Organization.

I am fully aware of the criticisms that have been leveled at SEATO both within and without the United States. By some it has been criticized for being too little—that is, it should have more members. By others it is criticized for being too much—that is, it is provocative to the Communists and a divisive force among the non-Communist countries. To both of these I would ask, "Has it worked?" That is, has the treaty thus far accomplished its objective of halting further Communist aggression into Southeast Asia? To this the answer can only be yes, for since those dark days of 1954 there has been no further Communist expansion into Southeast Asia. One can argue as to how important a factor SEATO has been in bringing about this fact—personally I feel that it has been a very important factor—but one cannot argue that it has not been a factor.

I also know that the very existence of SEATO has given the area—members and nonmembers alike—a greater sense of security behind which they have been able with more resolution and confidence to cope with their own problems of subversion, as well as turn their attention to problems of internal development. I would not pretend to you that SEATO or any other organization or magic formula could solve the stupendous problems of Southeast Asia; however, it has served to alleviate the very real concern of open Chinese Communist aggression. That this concern is no

[4] For text, see BULLETIN of Sept. 20, 1954, p. 393.

without foundation has most dramatically been shown in Tibet and the borders of India in recent months. It is also shown in our own talks with the Chinese Communists, where they continue to refuse the basic and simple proposition of renouncing the use of force as an instrument of their national policy, especially in relation to Taiwan. In my more than 2 years of talks with them at Geneva, and now in Ambassador [Jacob W.] Beam's talks with them in Warsaw, they have made it all too clear that to them any understanding with the United States involves nothing less than an abandonment by the United States of all the free countries of Asia and especially Taiwan. I know of no free Asian that would have us pay that price, and they derive confidence from our steadfast unwillingness to pay that price. Thus I have no hesitancy in saying that the countries of Southeast Asia, including those who are not members of SEATO, have an increasingly better understanding and appreciation of United States policy in the area.

Fostering Cohesion and Unity in Southeast Asia

Southeast Asia is a very diverse area with countries and peoples widely diverse in race, language, religion, and culture and deeply divided in many cases by memories of bloody wars, invasions, and counterinvasions. Means of direct communication or land transportation between each other are almost totally lacking. Visitors in Bangkok are usually startled when I tell them that to send a telegram to Rangoon, which is not much further than from here to Chicago, it will go via London and may take up to 2 days, or that to send a telegram to Saïgon, which is not much further, it will go via Paris and take about the same time. They are also startled when I tell them that it is my guess that, for every Thai who has been to Rangoon or Saïgon, more than 100 will have been to London, Paris, or New York. Thus Southeast Asia is largely a geographic expression and the countries of the area are only slowly developing a sense of unity or cohesion. In this regard it is still probably at about the same point as Europe several generations ago but without the physical base of transportation and communication that then existed in Europe. Such a sense of cohesion and unity cannot be forced from the outside but rather must come from within, and there is increasing discussion of this by the leaders of various countries in the area.

SEATO has a part to play in this for SEATO is more than just a military alliance. Article III of the Manila Pact provides:

> The Parties undertake to strengthen their free institutions and to cooperate with one another in the further development of economic measures, including technical assistance, designed both to promote economic progress and social well-being and to further the individual and collective efforts of governments toward these ends.

In addition to our bilateral programs with the SEATO countries the United States is participating in the support of various specific SEATO projects of a multilateral character. Among these are a graduate school of engineering located in Bangkok which is open to students from all Southeast Asian countries, whether or not members of SEATO; a program for the training of skilled labor in Thailand, Pakistan, and the Philippines; a program for fundamental research on the disease of cholera, which periodically sweeps through much of the area; and at present a program is under study for the establishment of a modern telecommunications system to facilitate the exchange of meteorological information between the Asian members of SEATO. Additionally, the SEATO organization itself is devoting funds to finance exchange professorships, research fellowships, undergraduate and postgraduate scholarships, traveling lectureships, and conferences of scholars and university heads.

All of these programs are designed to promote mutual understanding and good will not only among the peoples of the member countries but also with other free countries in the area. Thus, rather than dividing the countries of the area, SEATO is seeking to do what it can to promote greater understanding among all free countries in Southeast Asia and to contribute to their welfare and well-being.

The SEATO Council, which is composed of the Secretary of State and the Foreign Ministers of the other members of SEATO, will this year be holding its annual meeting in Washington beginning the thirty-first of this month. This will be the first time that the Council will have met outside of the treaty area. Just prior to this the military advisers to the Council will have had their semiannual meeting, also in Washington this year. The military advisers will report to the Council upon the basis of the work done by the Military Planning Office, which also has its

permanent headquarters in Bangkok. Thus the Council members will have in front of them the work, reports, and recommendations of both the civil and military aspects of the Organization.

I am sure that this meeting will be important and significant in further developing the contribution of SEATO to the peace, stability, and well-being of the area it serves. SEATO is also thus an important and even vital link in that system of collective security which has forged such strong bonds against Communist aggression throughout the free world. The maintenance and strengthening of those bonds are our best hope that the Communists will enter into meaningful negotiations that will remove the threat of war and permit the world to develop in that peace which is sought by all men of good will.

NATO Science Fellowships Awarded

The Department of State and the National Science Foundation on May 28 (press release 288 dated May 27) announced award of 41 North Atlantic Treaty Organization postdoctoral fellowships in science.

This fellowship program was instituted by NATO in the belief that full development of science and technology is essential to the culture, economy, strength, and welfare of the Atlantic Community. Designed to encourage further study abroad, these awards will enable 41 U.S. fellows to study in 10 foreign nations, while outstanding foreign scientists from other NATO countries will come to the United States for further training.

At the request of the Department of State, the National Science Foundation administers the fellowship program for U.S. citizens.

Of the awards announced today, 18 are in the life sciences and 23 in the physical sciences, including mathematics and engineering. Fellows will attend institutions in Canada, Denmark, France, Germany, Israel, Italy, the Netherlands, Norway, Sweden, and the United Kingdom.

The 41 U.S. citizens who are being offered awards were selected from 162 applicants. All applicants were evaluated for the Foundation by panels of scientists appointed by the National Academy of Sciences–National Research Council. Final selections were made by the Foundation.

NATO fellows will receive a basic (12-month) stipend of $4,500. In addition, limited round-trip travel and dependency allowances will be provided.[1]

U.S. and Philippines Conclude Air Talks

Press release 297 dated June 2

Aviation delegations representing the Philippines and the United States met at Washington during the period April 26 to June 2, 1960, for the purpose of reaching an understanding with respect to a new air transport agreement. Discussions were conducted in a spirit of frankness and mutual good will.

Although major efforts toward an understanding were exerted on both sides, complete agreement on all issues was not found possible. The Philippine delegation expects to return to Manila this week.

Congressional Documents Relating to Foreign Policy

86th Congress, 2d Session

Amistad Dam and Reservoir. Hearings before the Subcommittee on Inter-American Affairs of the House Committee on Foreign Affairs on H.R. 8080, a bill to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of a major international storage dam on the Rio Grande in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes. February 8–March 19, 1960. 274 pp.

Philippine War Damage Claims. Hearings before the Subcommittee on the Far East and the Pacific of the House Committee on Foreign Affairs. March 17–April 28, 1960. 93 pp.

Relative Water and Power Resource Development in the U.S.S.R. and the U.S.A. Report and staff studies to the Senate Committees on Interior and Insular Affairs and Public Works pursuant to S. Res. 248, 85th Congress, 2d session. S. Doc. 71. May 5, 1960. 206 pp.

Overall Limitation on Foreign Tax Credit. Report, together with minority views, to accompany H.R. 10087. S. Rept. 1393. May 19, 1960. 27 pp.

Import Duties on Certain Coarse Wool. Report to accompany H.R. 9322. S. Rept. 1402. May 19, 1960. 9 pp.

Expressing the Sense of the Congress With Respect to Official Recognition by the United States of the Centennial Anniversary of the Unity of Italy. Report to accompany H. Con. Res. 225. H. Rept. 1630. May 19, 1960. 2 pp.

[1] For a list of the 41 individuals, showing residence address, field of study, current affiliation, and name and location of the fellowship institution for each awardee, see press release 288.

U.S. Opposes Introduction of Political Issues in WHO

Statement by Horace E. Henderson [1]

The delegation of the United States supports the draft resolution concerning Executive Board resolution EB25.R62 which we have submitted and cosponsored with the delegations of Argentina, Canada, France, Italy, Japan, Pakistan, and the United Kingdom.[2] We jointly consider it to be premature to study the question of the utilization of any resources released by agreed disarmament under effective international control.

Mr. Chairman, my delegation notes with satisfaction that the 13th World Health Assembly thus far has been generally free of political issues and political discussions. This is as it should be. The United States delegation sincerely hopes that in this case an issue with political implication can be properly avoided, in accordance with the important principle that the 13th World Health Assembly should devote its time and energies to develop the maximum concentration and dedication to the great challenge and responsibility it has been given by peoples everywhere to meet the world's demanding health needs. Therefore we oppose the intervention of issues with political implications.

The question of disarmament inevitably comprehends political issues which should be avoided in a technical specialized agency of the United Nations. The United Nations General Assembly is the place where such issues should be debated. As recalled in the preambular paragraph of the resolution before us, the General Assembly has already taken action on this matter and has invited all member states to consider this question.

It is certainly not a question of lack of interest in or support for disarmament. The position of my Government on general disarmament under effective international control is clear. President Truman, after World War II, suggested the idea that nations could apply the savings of agreed disarmament for assistance to the emerging countries. In his first inaugural message in 1953, President Eisenhower stated that the United States stood ready to engage with any and all others in a joint effort to remove the causes of mutual fear and distrust among nations and thus make possible agreed disarmament. In fact, Mr. Chairman and fellow delegates, there is no doubt whatsoever but that every member state here present supports the objective of general disarmament under effective international control as indicated by the unanimous approval of resolution 1148 (XII)[3] of the 12th General Assembly of the United Nations.

Nor is it a question of lack of interest and support of the financial needs of the World Health Organization and the health activities of the member states. Here again the record of my Government is clear. Our support and contributions to the budgets and special voluntary accounts of the World Health Organization have been substantial because of the demonstrated technical competence

[1] Made before the 13th World Health Assembly at Geneva, Switzerland, on May 19. Mr. Henderson is Deputy Assistant Secretary of State for International Organization Affairs; he was a U.S. delegate to the Assembly.

[2] The U.S.S.R. had submitted to the Assembly a resolution requesting the Director General "to submit to the Executive Board, as soon as agreement has been achieved on general and complete disarmament, proposals for the utilization of any resources released as a result of such an agreement to meet urgent world needs in the field of health, particularly in under-developed countries." The United States and seven other countries then introduced a resolution in which the operative paragraphs read as follows:

"The World Health Assembly, . . .

"1. CONSIDERS that until sufficient actual progress towards agreed disarmament under effective international control has been made it would be premature to study the question of the utilization of any resources released thereby; and

"2. AFFIRMS its belief that international co-operation in the furtherance of the objectives of the World Health Organization should not pause in its efforts while waiting for such disarmament."

The Soviet draft resolution was not brought to a vote. The U.S.-sponsored resolution was approved by the Assembly on May 20 by a vote of 45 to 10, with 18 abstentions.

[3] For text, see BULLETIN of Dec. 16, 1957, p. 962.

of WHO to serve as the best means of international cooperation in health. And, as the Director General's statement has confirmed, the programs and activities of the World Health Organization are growing and expanding at a rate consistent with the availability of competent technical personnel and adequate supporting facilities to efficiently implement projects for the vast majority of the needs and problems of most areas of the world.

Sir, it is also not a question of our not being concerned about tomorrow's needs and requirements in world health. The best means for meeting tomorrow's needs is to do all that we can *today*—to meet and overcome today, now, the illness and disease that ravage mankind without concern for political philosophy, racial background, or religious beliefs. This is the challenge and responsibility of the World Health Organization. We must not be distracted nor deterred in our mission by the intervention of issues with political implications which can only tend to divide us and distract us from our determination to work vigorously together today, right now, for a common assault against the enemy of all mankind.

Thus, Mr. Chairman, in our view, this is not a question of support for disarmament and it is not a question of what we might possibly do tomorrow, but it *is* a question of what we must do *today*.

The delegation of the United States takes the position that the 13th World Health Assembly is here presented with an issue which has political implications that should not be raised in WHO. Fellow delegates, I respectfully request your support for this resolution for we must not permit the technical character and the high competency of WHO to be challenged or compromised. Thank you, Mr. Chairman.

United States Delegations to International Conferences

International Labor Conference

The Department of State announced on May 31 (press release 294) that the President had designated the following persons as the principal U.S. delegates to the 44th session of the International Labor Conference, scheduled to be held at Geneva June 1–23:

REPRESENTING THE GOVERNMENT OF THE UNITED STATES

Delegates

George C. Lodge, *chairman*, Assistant Secretary of Labor, International Affairs

Horace E. Henderson, Deputy Assistant Secretary of State for International Organization Affairs

Substitute Delegate

Allen E. De Long, Special Assistant to the Secretary, Department of Commerce

REPRESENTING THE EMPLOYERS OF THE UNITED STATES

Delegate

Cola G. Parker, Director, Kimberly-Clark Corp., Neenah, Wis.

REPRESENTING THE WORKERS OF THE UNITED STATES

Delegate

Rudolph Faupl, International Representative, International Association of Machinists, Washington, D.C.

This session will consider, among other things workers' housing, protection of workers against ionizing radiation, improvement of standards of living and working conditions among rural workers, and reduction of hours of work.

Current U.N. Documents: A Selected Bibliography [1]

Security Council

Letter Dated 28 April 1960 From the Representative of Tunisia Addressed to the President of the Security Council Concerning French Actions in Algeria. S/4307 April 28, 1960. 2 pp.

Letter Dated 2 May 1960 From the Permanent Representative of France to the President of the Security Council Concerning the Algerian-Tunisian Frontier S/4309. May 3, 1960. 3 pp.

Cable Dated 18 May 1960 From the Minister for Foreign Affairs of the Union of Soviet Socialist Republics Addressed to the President of the Security Council, With a Copy to the Secretary-General of the United Nations S/4314. May 18, 1960. 1 p.

Cable Dated 19 May 1960 From the Minister for Foreign Affairs of the Union of Soviet Socialist Republics Addressed to the President of the Security Council, Transmitting an Explanatory Memorandum in Amplification of His Cable Dated 18 May 1960 (S/4314). S/4315 May 19, 1960. 5 pp.

Cable Dated 19 May 1960 From the Minister for Foreign Affairs of the Union of Soviet Socialist Republics Addressed to the President of the Security Council, Trans

[1] Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N.Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

mitting an Explanatory Memorandum in Amplification of His Cable Dated 18 May 1960 (S/4314). S/4315/-Corr. 1. May 20, 1960. 1 p.

Letter Dated 20 May 1960 From the Permanent Representative of India Addressed to the President of the Security Council. S/4317. May 20, 1960. 2 pp.

Cable Dated 20 May 1960 From the Prime Minister of the Republic of Togo Addressed to the Secretary-General of the United Nations. S/4318. May 21, 1960. 1 p.

Letter Dated 21 May 1960 From the Permanent Representative of France Addressed to the President of the Security Council. S/4320. May 23, 1960. 1 p.

Letter Dated 23 May 1960 From the Representatives of Argentina, Ceylon, Ecuador and Tunisia Addressed to the President of the Security Council. S/4323. May 23, 1960. 2 pp.

Letter Dated 24 May 1960 From the Permanent Representative of Tunisia Addressed to the President of the Security Council. S/4324. May 24, 1960. 1 p.

Letter Dated 27 May 1960 From the Permanent Representative of India Addressed to the President of the Security Council. S/4327. May 26, 1960. 4 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

Antarctica

The Antarctic Treaty. Signed at Washington December 1, 1959.[1]
Ratification deposited: United Kingdom, May 31, 1960.

Aviation

International air services transit agreement. Done at Chicago December 7, 1944. Entered into force for the United States February 8, 1945. 59 Stat. 1693.
Acceptance deposited: Kuwait, June 17, 1960.

Cultural Relations

Agreement for facilitating the international circulation of visual and auditory materials of an educational, scientific, and cultural character, and protocol. Done at Lake Success July 15, 1949. Entered into force August 12, 1954.[2]
Senate advice and consent to ratification given: May 26, 1960.
Accession deposited: Ghana, March 22, 1960.

Law of the Sea

Convention on the territorial sea and contiguous zone. Done at Geneva April 29, 1958.[1]
Senate advice and consent to ratification given: May 26, 1960.

Convention on the high seas. Done at Geneva April 29, 1958.[1]
Senate advice and consent to ratification given: May 26, 1960.

Convention on fishing and conservation of living resources of the high seas. Done at Geneva April 29, 1958.[1]
Senate advice and consent to ratification given with an understanding: May 26, 1960.

Convention on the continental shelf. Done at Geneva April 29, 1958.[1]
Senate advice and consent to ratification given: May 26, 1960.

[1] Not in force.
[2] Not in force for the United States.

BILATERAL

Brazil

Agreement providing a grant to assist in the acquisition of a sub-critical assembly for the Aeronautical Institute of Technology. Effected by exchange of notes at Rio de Janeiro October 20, 1959, and February 27, 1960. Entered into force February 27, 1960.

Denmark

Interpretation of paragraph 4.a.(4) of the agreement of April 12, 1960, relating to a weapons production program. Effected by exchange of letters at Copenhagen May 11 and 18, 1960. Entered into force May 18, 1960.

Honduras

Agreement continuing in force and amending the agreements of March 6, 1950, establishing a United States Air Force mission and a United States Army mission to Honduras (TIAS 2040 and 2041). Effected by exchange of notes at Tegucigalpa April 22 and May 20, 1960. Entered into force May 20, 1960.

United Kingdom

Agreement extending area of civil air terminal, at United States Kindley Air Force Base in Bermuda, designated in agreement of March 23 and April 25, 1951 (TIAS 2282). Effected by exchange of notes at Washington May 25, 1960. Entered into force May 25, 1960.

General agreement for technical cooperation in respect of the territories for the international relations of which the Government of the United Kingdom are responsible. Signed at London July 13, 1951. Entered into force July 13, 1951 (TIAS 2281).
Notification by United Kingdom of application to: Federation of Rhodesia and Nyasaland, April 8, 1960.

DEPARTMENT AND FOREIGN SERVICE

A Tribute to Americans Serving Overseas

Remarks by Under Secretary Dillon [1]

I am deeply grateful for the honor you pay me today, and I want to thank all the members of the Advertising Club of New Jersey, which is such a vital force in the growth of this dynamic

[1] Made before the Advertising Club of New Jersey, at Newark, N.J., on June 3 (press release 295 dated June 2). Mr. Dillon received an award as the "outstanding citizen of New Jersey, 1959."

and prospering State—the State that I am proud to call home.

This award means a great deal to me. But I feel that it rightfully belongs to the 400 men and women from New Jersey who serve abroad with the 3 agencies most directly concerned with our country's international relations: the Foreign Service of the United States, the International Cooperation Administration, and the United States Information Agency. For they are truly "outstanding citizens of New Jersey"—in this or in any other year. I consider it a privilege to be associated with them.

Regrettably these dedicated men and women are too little known to most of their fellow Americans. Their lives are spent for the most part in the far corners of the earth—often under conditions of personal hardship and even danger—with only occasional assignments in Washington and brief, irregular periods of leave here at home. They represent a typical cross section of our country and of our State. They are talented, hard-working, straightforward Americans whose only difference from the rest of our population is that their jobs require them to spend their time overseas representing the best interests of the United States. They are on the job in scores of countries—and it's a 24-hour job, too.

These overseas Americans are in a very real sense your official "eyes, ears, and hands" abroad. They are, in fact, your first line of defense in peacetime. If they have any request of their fellow Americans at home, it is for the moral support and confidence of their countrymen, coupled with a minimum of recognition for their efforts in waging peace and defending freedom in distant lands.

I should like to think that this award constitutes just such recognition. For they merit your full support and admiration. I accept it gladly on their behalf.

For my part, I can only repeat: Thank you. Thank you most sincerely.

Consulate at Izmir, Turkey Raised to Consulate General

Press release 292 dated May 31

The Department of State announced on May 31 that the American consulate at Izmir, Turkey, will be elevated to the rank of consulate general effective June 1, 1960. Kenneth A. Byrns will serve as consul general and principal officer.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Trust Territory of the Pacific Islands. Pub. 6945. International Organization and Conference Series 9. 263 pp. $1.00.

This report, covering fiscal year 1959, is the 12th annual report by the United States to the United Nations on the administration of the Trust Territory of the Pacific Islands.

Strengthening Friendship and Trust Among the American Republics. Pub. 6974. Inter-American Series 59. 22 pp. 20¢.

A record of President Eisenhower's visit in February and March 1960 to Brazil, Argentina, Chile, and Uruguay, which includes texts of addresses and joint statements made in the individual countries and the text of the President's report to the Nation upon his return.

Economic Assistance to Bolivia. TIAS 4395. 3 pp. 5¢

Agreement between the United States of America and Bolivia, amending agreement of November 6, 1953. Exchange of notes—Signed at La Paz August 24 and November 11, 1959. Entered into force November 11, 1959.

Radio Communications Between Amateur Stations on Behalf of Third Parties. TIAS 4399. 4 pp. 5¢.

Agreement between the United States of America and Haiti. Exchange of notes—Signed at Port-au-Prince January 4 and 6, 1960. Entered into force February 5, 1960.

Surplus Agricultural Commodities. TIAS 4401. 8 pp 10¢.

Agreement between the United States of America and Israel. Signed at Washington January 7, 1960. Entered into force January 7, 1960. With agreed minute.

Surplus Agricultural Commodities. TIAS 4403. 7 pp 10¢.

Agreement between the United States of America and Greece. Signed at Athens January 7, 1960. Entered into force January 7, 1960. With notes.

Whaling—Amendments to the Schedule to the International Whaling Convention signed at Washington on December 2, 1946. TIAS 4404. 5 pp. 5¢.

Adopted at the Eleventh Meeting of the International Whaling Commission, London, June 22–July 1, 1959. Entered into force October 4, 1959, and January 3, 1960.

Surplus Agricultural Commodities. TIAS 4406. 5 pp. 5¢

Agreement between the United States of America and Uruguay, supplementing agreement of February 20, 1959 as supplemented. Signed at Montevideo January 13, 1960 Entered into force January 13, 1960.

Annual and Progressive Reduction in Japanese Expenditures Under Article XXV 2(b) of the Administrative Agreement of February 28, 1952. TIAS 4408. 8 pp. 10¢

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305	6/4	Herter: statement on Khrushchev allegations.

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THE DEPARTMENT OF STATE

Bulletin

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June 27, 1960

The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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The University and the World Community

Address by Secretary Herter[1]

It is a privilege to be with you today and a pleasure to share in this ancient ritual. The gowns and hoods we wear remind us of the antiquity of the university tradition and the legacy of faith as well as knowledge on which it draws. We are made aware of the significance of the life of this university to the city, the State, and the Nation. You are part of that "republic of learning" which knows no frontiers and which in our times is perhaps more vital than ever before in history if the barriers which separate peoples are to be broken down and man is to measure up to the potentialities and opportunities of our unparalleled era.

Our Changing World

We now live, together with all peoples, in a relatively small world, the dimensions of which are further rapidly shrinking. This fact has already completely revolutionized the relations between man and man, between different societies, nations, and continents. Our world is a neighborhood. Science has wrought wonders which tend to create the physical, the technical basis for a world community. The material foundation of such a community lies ready to our hands; it exists in rudimentary form.

We are, all of us, confronted today by new and challenging frontiers, not between men and nations but frontiers surrounding us all, as individuals, beckoning us on to new endeavors and concerted efforts. You of the community of learning bear a special responsibility, that our common cultural heritage be preserved and made pertinent and applicable to the great tasks that challenge us on many fronts. For we are truly engaged in a contest of which the stakes and the outcome are the fate of our culture and our civilization.

Let us be clear in our minds about what has been happening. Many of us here can recall the days when most of our world seemed far away from us—rather unreal, in fact. Our people, in town and country, were preoccupied with local and personal—or at the most, national—affairs. Europe and Asia were far away. So was Latin America. Africa was a great unknown. Newspapers recorded little of world events, usually only at a time of disaster or war.

Now these times are gone beyond recall. We would not call them back if we could. We live in a new and utterly different kind of world.

It is a startling thought that it now has become possible, for the first time in history, for all peoples of the world to live together. The so-called "backward" peoples can now begin to enjoy the benefits of our modern civilization. The techniques are available whereby all members of the human race can be well fed and clothed and housed. We seem on the verge of conquest of the abysmal poverty and disease and misery that have long been the lot of most of mankind. The basic and central reality is the essentially political fact that all nations now *must* live together and that a community of interests *must* come into existence.

Open and Closed Societies

This poses one of the great issues of our times, the conflict between the concepts of open and closed societies. In America we have aspired to an open society and have sought increasingly to realize it in our world relationships. In such a society there is an absence of needless and artificial barriers and a cross-fertilization and free competition of ideas. This is a fundamental aspect of our tradition and heritage, of our national style.

[1] Made at commencement exercises at the University of Pittsburgh, Pittsburgh, Pa., on June 8 (press release 309 dated June 7). Secretary Herter was awarded an honorary degree of Doctor of Civil Law.

In general this concept is shared and exemplified in the other countries of the free world, where there is freedom of communication, of expression, of travel, and of initiative.

The other concept, that of a closed society, still prevails in many parts of the world even though it is gradually being modified by the influx and pressure of modern forces and ideas. In such societies men must live largely separate and secluded from their fellow men elsewhere, bound by tradition and often superstition, subservient to governments and institutions over which they have little control. Their thoughts are patterned after the concepts and ideologies imposed upon them from above.

It will be difficult to resolve the central political problem of our times so long as closed societies of repressed and unfree peoples exist. This is particularly true when all peoples are being pulled more and more into the course of world history. Hermit nations are an anachronism. There is no room for unfree nations, whether subjected to the tyranny of human despots or to the tyranny of false and outworn systems and ideas. Our world can never become a true community so long as a part of its peoples remain shut off from the main currents of history.

One reason why a closed society is a danger to our world community is that it harbors secrecy; it cherishes estrangement from and hostility toward the outside world. In states so dominated concealment becomes a fetish. Such states instill fears of other nations in their peoples. Excessive secrecy is regarded as a great military asset, the equivalent of so many divisions or missiles.

I believe it is this same fetish of secrecy that obstructs progress toward arms control. The Soviets profess to want disarmament, but their obsession with secrecy has made them unwilling to accept the type of inspection arrangements which are absolutely indispensable to any safe and acceptable system of controlled disarmament.

It is even more true now than when it was stated by President Eisenhower before the United Nations General Assembly in 1958 that:[2]

> The nature of today's weapons, the nature of modern communications, and the widening circle of new nations make it plain that we must, in the end, be a world community of open societies. . . . the concept of the open society is the ultimate key to a system of arms control we all can trust.

[2] BULLETIN of Sept. 1, 1958, p. 337.

Relations With the U.S.S.R.

The important thing is to face our tasks of the future in a constructive frame of mind. Mutual recriminations about past actions are futile. Nor is it helpful to try to define our policy toward the Soviet Union as either "hard" or "soft," nor to depict the international conflict in colors of black and white. Our posture should be calm, resolute, and vigilant, at the same time that we explore every available opportunity to move our relationships on to a more hopeful plane of increased understanding and mutual cooperation.

International Exchange Programs

Returning to our main political problem, that of creating the reality of a world of peoples living together and through their relationships building the foundations of a true world community, I would refer to the special significance in this connection of our exchange program. This process of exchange was well called by the late Secretary Dulles "a curative and creative force in world affairs." It fosters human contacts, serving as a catalytic agent, strengthening bonds between friends, diminishing the gulf between antagonists. These contacts are of almost every conceivable kind—social, business, labor, cultural, educational, scientific, athletic, diplomatic, even political.

Much of this program relates to what might be called cultural and educational exchanges in the literal sense. It involves mainly students and scholars. It plants many seeds of intellectual growth which are bound to ripen and bear fruit to the benefit of both countries concerned.

Closely related to this is the exchange of specialists in various fields of useful endeavor—agricultural, industrial, technical, military, athletic. Artists and entertainers communicate not merely their talents but increased understanding of and respect for the genius of the nation they represent.

All this is to the good. But I would especially emphasize that this program is and should be, to a large extent, political in the best sense. The leader exchange program is designed to fill this need. This is so because it brings about the mutual interchange of persons who are, or are destined to be, leaders and persons of distinction in their respective countries. These are people of prominence or promise in political, governmental, business, and labor activities. Each year this program brings to our shores key personalities of other

nations. We exhibit to them America as it is—not a glamorized picture fixed up by propagandists, nor yet the sordid version so often propagated abroad by certain of our "realistic" school of writers.

You are all aware of the special progress we have made in recent years in what are called East-West exchanges or, more properly, exchanges between the West and the Soviet bloc. You know that these have been at many levels and of diverse types.

Role of the Universities

Surely no institutions are better fitted than our universities to advance these purposes. Their role in the advancement of scientific knowledge is too obvious to require elaboration. Let me stress, however, their role in our progress toward a world of open societies as the basis of world community and in contributing to the exchange of ideas among peoples out of which eventually may emerge a sense of community and a consensus about those things on which the very survival of our civilization depends.

The University of Pittsburgh

The University of Pittsburgh has caught the vision of this new horizon. We in the Department of State fully appreciate what you have done in various ways.

You have a long record of active interest and participation in the international exchange idea. By creating the Office of Cultural and Educational Exchange you have added a new dimension to the intellectual life of the university. In fact, Pittsburgh has shown an increasing awareness of our nation's responsibility to assist other peoples and to learn from other cultures and has made this the basis of its programs to a degree found in very few American universities.

You have made great advances in affiliation with foreign universities, in the number of foreign students and faculty members, in new and varied programs of study in international affairs, and in the growing number of Pittsburgh faculty members and students who study abroad.

Moreover, your university has not confined its interest to the campus but has enlisted the support of the entire community through the Pittsburgh Council for International Visitors. The modern city of Pittsburgh is rich with the history and contributions of many nationalities and is a striking example to the world of the benefits born of mutual cooperation and friendly exchange.

You have organized the Intercollegiate Regional Council for International Educational Exchange, together with affiliated colleges and universities in a five-state area, thus pooling the great intellectual and cultural resources of the region for exchange activities.

In addition, your Chancellor [Edward H. Litchfield] has contributed greatly to the success of the exchange of leaders program through the Governmental Affairs Institute.

These outstanding achievements of the University of Pittsburgh deserve the highest commendation. I bring to you from the Department of State my warmest congratulations and appreciation.

What you have accomplished moves me to make certain comments and suggestions.

First, I should like to repeat and emphasize what I have indicated throughout my address; namely, that a cultural exchange program in the broadest sense is of vital importance in our whole foreign policy in the swiftly changing and dynamic world in which we live. Whatever the importance we attach to political, economic, and military programs, we must always remember that what touches men's minds and influences their thinking is perhaps the most determining factor of all in shaping historic events and the course of civilization.

Second, I would suggest that our higher institutions of learning, so far as possible, attach primary importance to the educational exchange program, in their planning and in their budgeting and staffing, for it is an integral part of their responsibilities and activities.

Third, I would appeal to industrial, labor, and private organizations generally to make systematic efforts to contribute to such an exchange program within the range of their special interests and capacities.

Fourth, I believe that the Federal Government should give increasing emphasis to the exchange program as one of the essential components of a sound foreign policy.

Conclusion

Let me conclude by pointing to our long-term goals as a nation. Aware as we must continue to be of the Communist threat, and with all our

precautions to deal with it, we must never be so preoccupied with the Soviet challenge as to forget our own constructive purposes. We have our vision of the future. We must press forward toward the new horizon. The values of our culture are not ours alone. They are a heritage which we must seek to conserve and pass on to coming generations.

A new world is dawning—a world, we trust, swept by the winds of freedom, in which freedom's message and rewards may be shared by the newly emerging nations, in which a true world community will come into being resting on the rule of law and not of force.

The cause of civilization is not the selfish interest of any one nation. The universities are uniquely fitted, intellectually and philosophically, to interpret this new world to us and to our friends in other lands. It is the common task of all of us—educators and scholars, scientists and religious leaders, businessmen, labor leaders, and all those groups which make up our free and open society—to find ways, together with the Government, to work with people in other countries so that we may all move forward together, building better societies and strengthening gradually the foundations of a true world community.

Letters of Credence

Ethiopia

The newly appointed Ambassador of Ethiopia, Mikael Imru, presented his credentials to President Eisenhower on June 8. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 312 dated June 8.

Guatemala

The newly appointed Ambassador of Guatemala, Carlos Alejos, presented his credentials to President Eisenhower on June 8. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 310 dated June 8.

Korea

The newly appointed Ambassador of Korea, Chong Il-kwon, presented his credentials to President Eisenhower on June 8. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 311 dated June 8.

U.S. Replies to Soviet Note on Disarmament

Press release 308 dated June 7

Following is the text of a note delivered by th American Embassy at Moscow to the Soviet Min istry of Foreign Affairs on June 7.

The Embassy of the United States of Americ presents its compliments to the Ministry of For eign Affairs of the USSR and has the honor, upo instruction of its Government, to communicate th following:

The Government of the United States of Amer ica will give most careful and serious study to th disarmament proposals transmitted by the lette of June 2 [1] from the Chairman of the Council o Ministers to the President of the United States.

The United States agrees that the proper plac for detailed examination of this proposal is th Ten Nation Disarmament Committee which re sumes on June 7 in Geneva. It is the hope of th United States that the Soviet Union will give th same careful and constructive attention to th Western plan of March 16.[2]

The United States believes that progress in di armament is of overwhelming importance to th future security of all countries and that effor must be redoubled to find ways to make a start o the control and balanced reduction of armament The U.S. representative in Geneva will partic pate in the negotiations in this spirit.

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[1] Not printed. The Soviet Government on June 2 ma public the text of a note which it had sent to all Hea of Government with representatives in Moscow and h also sent to the United Nations (U.N. doc. A/4374/Rev. 1 The note contained certain revisions of the Soviet d armament proposals of Sept. 18, 1959 (U.N. doc. A/421

[2] For text of a working paper on general disarmame prepared by Canada, France, Italy, the United Kingdo and the United States, see BULLETIN of Apr. 4, 1960, p. 51

The Challenge of Overseas Service

by Under Secretary Dillon[1]

Thank you for the gracious welcome you have xtended to all of us who are being honored oday by Williams College. For some time I ave been hoping for an opportunity to discuss he challenge of overseas service. I can think of o more appropriate setting than this justly amed campus, where there is a perpetual reinder of the five students who met for prayer 1 the shelter of a haystack in 1806 and dedicated heir lives to the church overseas. Out of their edication was born the American Board of Forgn Missions, under whose auspices thousands of merican men and women have carried the mesge of America to other peoples while serving heir God and their country in far-distant lands.

It is for me a very special pleasure to be here, nd in talking to you this afternoon I claim a ecial dispensation. For your distinguished resident, Jim Baxter, was my faculty tutor at arvard some 30 years ago and so must bear a easure of responsibility for me and for what I ve to say.

Looking back I am struck by the profound anges that have radically reshaped the world er the past 30 years:

First, the transformation of the United States om a relatively isolated nation to an active parpant in every sphere of international life as eader of the free world.

Second, the enormous growth of the Soviet nion as a military and industrial force, the pasge of Eastern Europe into the Communist orbit, d the emergence of Communist China as a tential world power center.

Finally, the collapse of colonialism, which is now clearly a thing of the past, and the achievement of nationhood by scores of new countries, whose leaders are struggling desperately to give independence real meaning by enriching the traditionally barren lives of their impoverished peoples. The full impact of this socioeconomic revolution is most dramatically evident in Africa, where but 4 nations existed 30 years ago—and where there soon may be 29.

Demands of Today's World

These sweeping changes, accompanied by increasingly rapid communications, the fateful release of nuclear energy, and man's adventurous probing into space, have fashioned a world which simply didn't exist when my generation was graduating from college. Today's shrinking universe, the inextricably interdependent world into which you are graduating, makes demands upon us as a nation and as a people that were undreamt of 30 years ago. If we are to meet today's pressing demands and respond to the formidable challenges of the coming 30 years, we must enlist every resource—human, material, intellectual, and spiritual—at our command.

On the home front we must strengthen our defenses against possible aggression. We must expand our educational opportunities to enable our citizens to lead more fruitful, more purposeful lives. Special priority must be given to accelerating the growth of our economy along sound, productive lines. Unless we do so, there can be no assurance that the future will bring increasing opportunities for our people. Nor can there be any assurance that we as a nation can sustain our capacity to meet our international obligations, to counter the Communist threat, or to project to the

[1] Address made at commencement exercises at Williams llege, Williamstown, Mass., on June 5 (press release 3 dated June 3). Mr. Dillon was awarded an honry degree.

newly developing lands the image of our system of free institutions as one worthy of emulation in the struggle for nationhood. We must clarify our national goals and promote better understanding by all our citizens of the policies that must be followed to fulfill them. This is especially true in international affairs, which are now the concern of every American.

On all fronts we must reinforce the free world's system of collective security so that we and our allies can withstand the mounting pressures of Communist imperialism. In particular, we must continue to provide military equipment and training to nations on the periphery of the Sino-Soviet empire. For without our help many of them cannot support the defense establishments they urgently require to insure internal security and to discourage aggression from without.

We and our stronger allies must exert ourselves to speed the growth of the newly developing lands. These are the areas where most of mankind lives and where the future course of history will ultimately be decided. The Communists are making massive efforts, through trade, aid, and propaganda, to persuade the peoples of these countries that communism offers them their only hope of rapid progress. But even if the Communist leaders were to suddenly renounce their expansionist ambitions and cease their efforts to penetrate and capture the developing nations, the need for us to help these peoples achieve a better life would still exist. For our free way of life and our prosperity simply cannot survive in a sea of hopeless poverty. The peoples of the newly developing areas must be given reasonable hope that the well-being we now enjoy can eventually be theirs to enjoy.

At the same time we must do everything in our power to achieve rational communication with the Communist world, no matter how difficult this may be. We must seize any opportunity to reach agreements with the Communists that could bring genuine progress toward peace.

The immense tasks stretching before us make heavy demands upon the talents, training, and good sense of the men and women who represent our country abroad. For the human factor is the overriding factor in determining whether we can meet the challenges that confront us. These challenges place a premium on qualified people, whether they are negotiating with the Soviets, administering foreign aid, telling America's story abroad, or serving overseas with American business, philanthropic foundations, or church mis sions. We have irretrievably committed ourselve to participation in international activities. N matter how admirable our intentions, no matte how well conceived our policies and program their success in the final analysis depends upo people. Therefore it is of people that I will spea today.

Responsibilities of Americans Working Overseas

It is a measure of our present involvement i world affairs that the number of American cit zens representing our public and private interes abroad has multiplied to more than a million ar a half. Of this total, more than two-thirds a members or employees of our Armed Forces ar their dependents. The rest are civilians and the families. Aside from students and teachers stud ing abroad, American civilians actually workir overseas number roughly 100,000, divided abo equally among businessmen, missionaries, ar Government employees.

Even though their backgrounds and workir assignments may be widely separated, these ove seas Americans share a common responsibilit The very fact that they reside in another countr where they participate in the daily lives and cu ture of its people, inevitably means that *our* cou try and *our* people are judged by *their* individu competence and conduct.

It is an exacting and, at times, a burdensome r sponsibility. If these overseas Americans are help project a positive image of America to oth peoples—as, in fact, they must—they should po sess far more than purely technical or profession skills. They should have a knowledge of loc languages and an informed respect for loc customs. They should be able to participate wit out ostentation in the daily life of the country which they are assigned. They should know history, institutions, and national goals, for on if they understand other peoples' traditions a aspirations can they help to bring about recipro understanding of the United States and the Ame can people.

It is important that our citizens overseas ke constantly abreast of international developmen since their service abroad involves them persona in international affairs. It is equally importa that they have some knowledge of Commun theory and tactics because they are in the forefro

of the epochal competition between communism and freedom.

Above all, I hold that no American is qualified to represent the United States abroad unless he has a basic knowledge of his *own* country's history, culture, and institutions, as well as an informed understanding of our national goals and aspirations. I cannot stress too strongly the fact that an American working abroad *is* the United States. His assignment carries with it an obligation he cannot escape. Indeed, it is an obligation that foreigners will not permit him to escape. Our position of international leadership and the consequences which our actions can have upon other peoples far across the globe, raise compelling questions about our domestic affairs, our international policies, and particularly about our national purposes. Other peoples are eager for accurate and informative answers. If our citizens overseas are incapable of answering questions such as these, they serve us poorly.

Moreover, our overseas citizens must be on the alert to counter the propaganda of Communists and their unwitting dupes, who are ready, willing, and sometimes able to distort the true image of our country.

Despite the effective work of our United States Information Agency and the widespread impact of our news services, our motion pictures, books, and magazines, nothing can substitute for person-to-person contact and discussion. Such person-to-person dealings are especially important in newly developing lands, where channels of communication are limited and where there is a residue of resentment against former colonial powers which sometimes rubs off on us because of our close ties with Western Europe.

The pride and sensitivity of the newly emerging peoples makes it incumbent upon us to remember that in providing them with military, technical, or financial assistance on a government-to-government basis—or, for that matter, in bringing them the benefits of American business and other private undertakings—the manner in which our help is extended is equally as important as the aid itself. In assisting the developing peoples we must never attempt to impose 20th century institutions upon an oxcart economy. We cannot export our way of life intact. We can only help to adapt some of its most useful features to meet differing foreign needs in conformity with local customs and traditions.

Historian Arnold Toynbee has properly called technical and financial assistance "the greatest idea in foreign policy to emerge from the Twentieth Century." But clumsily or unwisely given, it can be useless—or worse. Mindful of this, we in Government are constantly striving to improve our foreign aid programs and to recruit and retain the best qualified people to operate them. Despite the occasional errors which are inevitable in any new endeavor, an honest, overall appraisal of our efforts in this radically new approach to foreign relations clearly demonstrates that they are highly effective. Credit for their effectiveness rightfully belongs to the hard-working, dedicated Americans who are out in the backlands and the rice paddies helping less fortunate peoples to realize their mounting expectations for a better life.

The need in our foreign aid programs for people with talent and the sort of sensitive awareness that leads to friendly understanding and appreciation of alien cultures underscores the need for outstanding people in *all* of our international activities, public and private. The task of representing the United States abroad in today's highly technological world presents both private citizens and those in government with challenges that mount in complexity with each day that passes.

Our representatives are confronted with problems ranging from atomic energy to sales of surplus American farm products, from educational exchange to the intricacies of currency stabilization, from immigration policies to nationalist sentiment as it affects private investment. They are directing huge construction projects, healing the sick, and introducing modern manufacturing and marketing methods.

In truth it is difficult to think of any problem—be it political, economic, scientific, cultural, educational, or spiritual—that does not carry with it heavy responsibilities for the men and women who represent us overseas.

Training for Foreign Service

Educational institutions such as Williams have a vital role to play in preparing present and future generations for overseas assignments, whether on government service or with private business and agencies. Special training is particularly necessary in languages, area knowledge, international politics, and in American history and institutions. Some special schools and courses already exist. But many more are needed.

Fortunately the need for intensive training is being more and more recognized in Washington. For example, the Department of State now operates a Foreign Service Institute, where specialized facilities are available for the indoctrination of new Foreign Service officers going overseas and for further training of all officers at later stages in their careers. Both the International Cooperation Administration and the United States Information Agency also conduct special training programs. In addition our Government agencies make good use of the highly specialized courses of study which have recently become available at many of our leading universities.

Private American business and other groups are also recognizing the need to prepare their representatives for work abroad. Many of them run their own company or institutional programs. Others send their people to our universities. Recently, leading executives of U.S. companies doing business overseas established the Business Council for International Understanding, which has the active cooperation of the Department of State and the USIA. This program fills two closely related needs: first, to send overseas individuals who are better prepared to make a success of their assignments for their companies; and, second, to build good will for the United States. Although it has been in operation for less than a year, this program holds out great promise, for the the private sector of our economy is the very antithesis of the state enterprise that is central to Communist doctrine. It is perforce the very best advertisement of freedom at work.

Making Government Service a Career

Now I should like to say a special word to today's graduates about government as a career.

Our efforts to strengthen and unify the free world, our attempts to increase communication with the Communist world, depend in large measure upon the apparatus of American diplomacy. The effectiveness of our diplomacy depends, in turn, upon the people who wage it. Over the years we have been fortunate in attracting to foreign service men and women who measure up to their exacting responsibilities admirably. You can well be proud of your fellow citizens who represent you abroad. But our increasing international obligations call for more and more of our most outstanding young citizens to make government a career.

They are especially needed for service in the newly developing lands, where political leaders are also intellectual leaders. These leaders are almost always highly educated and cultured individuals. They respect the qualities of America's arts and literature, as well as our scientific and economic achievements. They have high regard for the quality of excellence in every field. Hence, the enduring leadership which the United States must provide can only be rooted in enduring excellence. This is a quality which we must increasingly export through our overseas representatives. We can best do this by recruiting young men and women for foreign service who exemplify our finest cultural, intellectual, and spiritual heritage.

Make no mistake: It is *outstanding* talent that we are seeking. The service of our country demands nothing less. I am hopeful that some of the most talented among you will consider government service as a career. You will not become wealthy. You will probably never make the headlines. You may experience hardship overseas, even danger. But you will find warm satisfaction in carrying the human spirit of the American people to those with whom we wish to live in peace and prosperity as members of the world community. Your greatest reward will come from the knowledge that you in some way, large or small, are contributing as an individual to the security and well-being of your fellow citizens and of freedom-loving peoples everywhere.

Nine NATO Countries To Participate in Antisubmarine Research Center

Press release 314 dated June 9

The Governments of Canada, Denmark, France, the Federal Republic of Germany, Italy, the Netherlands, Norway, the United Kingdom, and the United States have completed arrangements for the participation of these countries in the work of the SACLANT [Supreme Allied Command, Atlantic] Antisubmarine Warfare Research Center at La Spezia, Italy.

The SACLANT center was formally established on May 2, 1959. Italy has provided physical facilities for the center at the La Spezia naval base, and the United States has undertaken to finance

he initial period of the center's operation under he mutual weapons development program.

The mission of the center is to provide technical dvice and assistance to the Supreme Allied Comaander, Atlantic and other NATO commanders nd to the cooperating governments in the field f antisubmarine warfare. The nine NATO naions participating in the work of the center will end scientists to the center and will furnish technical information which the team of scientists will use in developing new techniques of antisubmarine weapons. A scientific council, composed of scientists appointed by the participating governments, a representative of the Science Adviser to the Secretary General of NATO, and the SACLANT Deputy for the center, makes recommendations, advises on programs, and examines progress made by the center.

ntelligence and Research: Sentinel and Scholar in Foreign Relations

by Allan Evans and R. D. Gatewood

"The fate of the Nation well may rest on accuate and complete Intelligence data which may erve as a trustworthy guide for top-level governental decisions on policy and action in a troubled orld, where so many forces and ideologies work t cross purposes."

These grave words were pronounced by the Hoover Commission in 1955. It is now self-evient that the gathering of intelligence data is vital the national security of the United States. The ill scope of intelligence results can be disclosed, f course, only on the basis of the "need to know." is equally true, however, that in democratic soeties the public needs to know how some of these esults are obtained, particularly the ones which semble many of those facts and informed opinns on foreign developments which have been lled the building stones of our foreign policy. The continuous task of quarrying and shaping ese materials in the Department of State rests imarily with the Bureau of Intelligence and esearch (INR). This bureau also represents e Department in the manifold activities of the ntelligence community," a constellation of Govnment agencies that has appeared in the postwar ashington firmament.

No single definition of "intelligence" has so far et with universal acceptance, but its principal aracteristics are readily apparent.

First, intelligence is a resource indispensable to policymakers in reaching their decisions. Though analogies are dangerous, one may say that the intelligence officer serves the policymaker as the diagnostician serves the surgeon, who relies on judgments of the practiced evaluator of data—all the more because the data are usually to some degree incomplete. Ambassadors and other ranking officers abroad are usually knowledgeable enough to be their own intelligence officers when they have to make decisions; even so, they often seek expert opinions from their colleagues and consult intelligence reports. Like other policymakers, they receive services from intelligence and research which they cannot perform for themselves because of lack of time or specialized knowledge.

Second, to be most useful intelligence requires knowledge (and the more specific the better) of the purposes for which it will be used. Its utility, therefore, largely depends on the degree of cooperative relationship that exists between intelligence officers and policymakers.

• *Mr. Evans is Special Assistant to the Director of the Bureau of Intelligence and Research; Mr. Gatewood is Deputy Director of the Office of Intelligence Resources and Coordination.*

Third, intelligence may involve research into subjects that appear remote or academic, but in fact it will be found that they are always essentially timely and designed for current needs. For example, INR did research on the Constantinople Convention of 1888 but did so for information relevant to the Suez crisis of 1956. The systematic efforts of INR to compile information on the complex religious structure of Lebanon bore fruit when the Lebanese crisis developed in 1958. Any attempt to start such a compilation at that time would inevitably have been too late.

Finally, intelligence is both a process that involves numerous stages and a product that reflects different degrees of refinement.

As Gen. Matthew B. Ridgway has said, adequate intelligence "constitutes the fundamental basis for the calculation of risks . . . the allocation of resources, and the conduct of operations." The logical task of assessing facts in order to determine a course of action is familiar enough, but the intelligence process warrants some elaboration.

The Process and the Organization

The cycle leading to the production of intelligence has three main parts: collection, distribution, and evaluation. The finished product is then disseminated, and the process is repeated. This cycle governs the organization and procedures of every intelligence agency, including INR.

The present Director of Intelligence and Research is the former Ambassador to Indonesia, Hugh S. Cumming, Jr., who ranks with the Assistant Secretaries. His primary responsibility is to develop a program of positive foreign intelligence pertinent to the formulation and execution of policy. For those who wonder what "positive" intelligence means, it may be identified as the counterpart of the security and counterintelligence information (acquired by Government agencies other than INR) which "negates" intelligence efforts directed against the United States by other countries. Information of the negative type has its own high value, and INR maintains close relations with producers to insure that it receives an adequate supply of their intelligence.

The bureau's most dramatic responsibility involves reporting promptly all significant items from the flow of new intelligence on developments abroad so that the Department may be warned of any need for action. This task of alerting others extends to all components of the bureau, starting at the top. Every working day (and as otherwise required) the Director, briefed by his staff each morning, provides the Secretary of State's staff meetings with a review of the latest events upon which intelligence can shed special light. These briefing items, together with a concise assessment of the trends they indicate, comprise a capsule form of current intelligence, regularly supplemented by short papers on matters of most immediate concern to the Department.

The bureau's program as a whole, however, comprises other important elements, and the Director is watchful to maintain a careful balance between the efforts devoted to these immediate problems of current intelligence, the resources assigned to long-range accumulation of essential factual data ("basic intelligence"), and the time spent upon the projection of trends into the future, as practiced characteristically in "estimates."

At the same time the Director represents the Department in its relations on intelligence matters with other agencies. In particular he is the Department's member of the U.S. Intelligence Board, which implements intelligence directives of the National Security Council. This Board chaired by the Director of Central Intelligence, includes also representatives of the Department of Defense, the three Armed Services, the Joint Chiefs of Staff, the Federal Bureau of Investigation, the Atomic Energy Commission, and the National Security Agency. As the embodiment of the intelligence community the Board determines both technical rules of procedure and substantive judgments about situations abroad. It is advised by a substantial number of specialized joint intelligence committees on which INR officers represent the Department.

Last year INR was reorganized into a group of eight substantive offices, with an unchanged executive staff for administrative support. This fragmentation of the former two large offices of the bureau is designed to reduce the span of control of the office directors so as to permit more specific concentration of effort and more detailed programing. The functions of the offices correspond naturally to the elements of the intelligence cycle; but the different components of the bureau all live on two-way streets in which there is a constant interchange of opinions and guid-

ance between collectors, analysts, and administrators. Interchange and interdependence are the essential characteristics of a healthy intelligence organization—the indispensable preconditions to improvement in the methods of obtaining and evaluating intelligence.

Collection and some distribution functions are performed by the Office of Intelligence Resources and Coordination (IRC), its main object being to insure that end-users, both in the Department and in other agencies of the intelligence community, will have rapid access to available data. IRC acts in each case, of course, after consultation with other interested offices of the bureau and frequently with other bureaus as well.

IRC is made up of two divisions and three staffs: the Departmental Library (LR), the Division of Intelligence Collection and Distribution (ICD), and the staffs of the Geographer, the Coordinator for Maps, and the Coordinator for Foreign Publications. The Library serves as the reservoir of published materials for ready reference not only for INR but also for all other bureaus and the International Cooperation Administration. The Division of Intelligence Collection and Distribution has the principal tasks of maintaining a steady flow of data from the Department and the Foreign Service to other parts of the Government; reciprocally, insuring that relevant information collected by other agencies is made fully available to the Department; preventing duplication of the numerous requests for intelligence data ("requirements") sent to the field; and contributing to the efficiency of field reporting by eliciting guidance from INR offices both in the form of lists of selected questions and in periodic evaluations of the reporting from each post.

The seven other offices are producers of intelligence research. Five of them deal with particular areas: the Offices of Research and Analysis for the American Republics (RAR), for non-Communist Asia (RAS), for the Mid-East and Africa (RME), for Western Europe (REU), and for the Sino-Soviet Bloc (RSB). Of their 16 divisions, 11 cover component portions of the regions listed while 5 deal with functional and international aspects of the geographic areas. For the first time a single office, RSB, now deals with research on all Communist activities abroad.

The Office of Current Intelligence Indications (OCI) has two divisions, regional and functional. Its research concentrates on immediate affairs rather than on long-term views. It is the focal point for the bureau's interdepartmental activities in the field of current intelligence, actively conducting, among other operations, an around-the-clock intelligence watch and exchange of information with other members of the intelligence community.

The seventh unit, the Office of Functional and Biographic Intelligence (RFB), consists of a staff to review and coordinate the Department's contributions to the National Intelligence Survey and three divisions: the Functional Intelligence Division (DFI), which deals with certain global and interregional problems (chiefly economic); the Biographic Intelligence Division (BI), which provides biographic data for all areas (from a collection of nearly 1,500,000 names); and the External Research Division (XR), which serves as the chief focus of liaison between the Department and universities, foundations, and other centers of private research.

The External Research Division has two principal functions: to select and transmit data and insights from scholars to Government officials and to serve as a clearinghouse of information about Government-sponsored contract research on foreign areas and on U.S. programs. In carrying out these varied duties XR is in touch with several thousand scholars in the social sciences; arranges consultations between private scholars and Government experts; and provides certain specialized materials such as foreign press digests and broadcast reports. In this and other ways the division complements the work of the Historical Office of the Bureau of Public Affairs, which arranges access for scholars to unpublished records of the Department.

The Product

The Department is primarily responsible, in the intelligence field, for providing the Government with evaluated and integrated information on political, sociological, and (with a few exceptions) economic conditions in foreign countries. Most of the underlying information is obtained from a broad variety of overt sources. The Foreign Service gathers most of these materials and also has the duty of collecting scientific and technical information. Among all sources the one that con-

tinues to be of central value to INR is the reporting by Foreign Service officers from field posts, particularly those penetrating and comprehensive analyses of conditions abroad which the posts are sending in more frequently than ever before. These analyses round out the picture conveyed by the factfinding type of work and notably facilitate the correlation of embassy reports with other sources. INR constantly reviews guidelines and priorities for collection and production of intelligence of all types and works them out through interagency agreements, instructions to the field, and directives within the bureau, so as to reflect the needs of end-users throughout the Government.

The size, shape, and character of the packages that bear the Department's intelligence production are now relatively well known but may be briefly noted. The products of INR range from the spot check by telephone ("Who is the Minister of Communications in Country A?") to the Intelligence Information Brief that sets forth primarily facts and figures or highly tentative judgments ("Chronology of Events Relating to the Berlin Crisis," "Preliminary Appraisal of Khrushchev's Visit to Country B"), and Intelligence Reports ("Pressures That Threaten Stability in Country X," "Prospects for Success of the Five-Year Plan in Country Y," "Attitudes Toward the United States in Country Z"). Biographic work appears in Biographic Briefs and Biographic Reports, with a few comprehensive volumes known as Biographic Directories.

External Research Reports describe for the Department and the intelligence community the host of private research projects throughout the country which have relevance to the conduct of foreign affairs, while the periodical, Lists of Recently Completed Studies, presents some 4,000 titles ranging from population research and linguistics to case studies of international relations. External Research Papers reproduce selected private studies of value to Government research and policy officers which would not otherwise become available in time or at all. A classified publication sent to practically all field posts summarizes for ready reference the monthly production of the bureau and includes one or two of the bureau's reports on subjects of broad general interest.

Half the producing officers of INR devote themselves to basic research in preparing those sections of the interdepartmental National Intelligence Survey (NIS) which cover systematically the political, economic, and sociological conditions in individual foreign countries. At intervals all hands man the pumps to help this giant program meet its deadlines.

Finally, as the capstone of its work structure the bureau writes the Department's contributions to National Intelligence Estimates ("The Prospects for Country Y Over the Next Two—or Five—Years"), for which INR summons up its courage to peer into the future. Estimates have been described as completed jigsaw puzzles, but the comparison is seriously misleading. Intelligence materials cannot simply be pieced together in mechanical fashion nor can they result in a perfectly clear picture. The gaps and uncertainties which inevitably obscure a clear view even of the present require imaginative though discreet interpretation, and the future can be portrayed in no way as a finished representation but, at best, in terms of a most likely projection of factors and trends. The estimates should be seen as the latest results of an organic process of selecting significant facts and evaluating and integrating them in the light of unfolding situations. Like all such products, each estimate has its own bitter or sweet flavor, emphasized by the subsequent experience of events.

The People

The people in INR are representative of the diversity of the Department in respect to grade, length of service, types of positions, and membership in the Foreign and Civil Services. The intelligence process requires a wide variety of skills, some of them close to those acquired in field service with our embassies, others (as in the Library) so technically specialized in nature as to make it impractical to use Foreign Service officers for certain tasks. In most of the processes, however, a great deal of the work is now being done by Foreign Service officers, whose diversity of experience is being complemented, especially in research, by the continuity and knowledge in depth of civil service experts.

In the course of its 14-year history INR has often been described as an "ivory tower." Whether the term is really applicable can quickly be tested by reviewing the major concerns of the

bureau's varied personnel. An officer assigned to collection must discriminate and select; he selects what is relevant in terms of the bureau's program, which in turn reflects the events of the day. Officers who prepare guides for the collection of data in the field must have in mind the needs of end-users, who are the makers of everyday policy, as well as the filling of those information "gaps" which, if found in material needed to analyze a crisis, would reduce the effectiveness of producers within INR. Distributors, as they guide the circulation of the bureau's annual 3,000,000 copies of incoming and outgoing documents, must be aware not only of who "needs to know" but also of what they need to know, both within the bureau and throughout the Department.

The many INR officers at all levels who put at least part of their effort into building up the accumulation of data and information daily tackle the problem of storing the materials in a way so logically related to the stream of current events that the information will be readily retrievable to answer unexpected questions. Administrators worry about deploying resources of budget and personnel so that the bureau may meet requirements that constantly shift with the changing pattern of foreign policy problems. As for the research officers—who display their "capacity for absorbing facts, capacity for stating them, and a point of view" in evaluating and reshaping the mass of inflowing information—they are riveted to actuality by the flood of questions and requests poured upon them by officers in all other areas of the Department and in the national security complex. If all this be a tower, it surely is not in the usual sense ivory—rather it is a lighthouse which in a significantly practical way helps our pilots orient themselves as they steer the craft of policy.

To sum up, intelligence research comprises a great variety of activities and is built around the principle of cooperative action, both within its ranks and between its practitioners and the officers who use their products. The results the bureau achieves derive from a tireless and anonymous collective effort, and the fruits of these labors at once support the Department's own work and insure that the views of the Department of State are fully reflected in the intelligence aspects of national policy formulation.

United States Joins Mexico in 1960 Celebrations

Press release 315 dated June 9

This year the people of Mexico are celebrating the 150th anniversary of the beginning of the Mexican War of Independence under Miguel Hidalgo, the 100th anniversary of the victory of Benito Juárez in the War of the Reform, and the 50th anniversary of the Mexican Revolution. Numerous outstanding events will take place in Mexico during the year. Many of these, such as the Second Inter-American Biennial of Paintings and Engravings, the Fourth Mexican Home Products Fair, and the First Mexican Congress on Public Health, will have an appeal and an attraction to U.S. as well as Mexican citizens. The celebration will culminate in festivities to be held in Mexico City in September.

The United States has accepted the invitation of the Government of Mexico to send a special diplomatic mission to be present during the festivities in Mexico City. The Secretary of State will head the U.S. delegation. The United States will also be represented in a parade to be held on September 16 in Mexico City. Cadets from the three U.S. service academies will share the high honor of marching with similar units of Mexico and other countries of the hemisphere.

On September 16, as the Post Office Department has just announced, the United States and Mexico will join in the release of a practically identical stamp. This unique release by the United States commemorating the independence of a foreign country recognizes the close geographic and cultural relationships with Mexico. The stamp, designed by artists of the two countries, will be green, white, and red, the Mexican national colors. The fact of joint issue is singularly expressive of the rich history and culture the two countries share. It reflects the inspired efforts of the two peoples and the creative statesmanship of the last 50 years that have brought them to a relationship of uncommon understanding and respect.

During the next few months many cities and communities across the Nation, large and small, will demonstrate the admiration that the people of the United States so widely and deeply feel for the great republic to the south.

These demonstrations and the official acts of the

U.S. Government will constitute an expression of the heartfelt appreciation by the American people of the meaning and significance which 1960 holds for the people and the Government of Mexico.

U.S. Protests Cuban Propaganda in OAS

Following is the text of a note delivered on June 8 by John C. Dreier, U.S. Representative on the Council of the Organization of American States, to Carlos Lechuga, the Cuban Representative on the Council.

The Representative of the United States of America on the Council of the Organization of American States presents his compliments to His Excellency the Representative of Cuba on the Council of the OAS and has the honor to refer to the fact that the members of the Delegation of the United States of America have received in a manner described to be "With the compliments of the Cuban Delegation to the OAS" a pamphlet entitled "Patria o Muerte" which is identified as a document of the Department of Public Relations of the Ministry of Foreign Relations of the Republic of Cuba. This document contains thinly veiled charges, completely unsubstantiated by evidence, which strongly imply the involvement of the Government of the United States of America in a disaster which took place in the harbor of Habana, Cuba on March 4, 1960.

Under instructions from his Government, the Representative of the United States of America on the Council of the OAS states to the Delegation of Cuba that the above-mentioned implication contained in the pamphlet is not only completely fallacious but is also offensive to the Government of the United States of America. As the Representative of Cuba on the Council of the OAS is well aware, the categoric and emphatic denial by the United States Government of charges made by the Prime Minister of Cuba implying involvement of this Government in the disaster, as contained in the pamphlet under reference, was made known to the Chargé d'Affaires of Cuba on March 7, 1960,[1] and this Government strongly objects to the continued dissemination of these baseless charges in the propaganda material transmitted to the United States Delegation by the Delegation of Cuba.

WASHINGTON, *June 7, 1960.*

King and Queen of Thailand Visit the United States

The Department of State announced on June 10 (press release 316) that arrangements have been completed for the visit of His Majesty Bhumibol Adulyadej, King of Thailand, who will visit the United States at the invitation of President Eisenhower. His Majesty will be accompanied by Her Majesty Sirikit, Queen of Thailand.

Their Majesties and party will arrive at the Military Air Transport Service Terminal, Washington National Airport, on June 28, where they will be met by President Eisenhower.

The arrival at Washington will be preceded by a 3-day stop in Honolulu and 9 days in the Los Angeles area. The Los Angeles visit is private with the exception of one day, June 21.

Their Majesties will remain in Washington until July 2, when they will depart for a tour which will include visits at Williamsburg, Va. New York, N.Y., Boston, Mass., Knoxville, Tenn. Colorado Springs, Colo., Yellowstone National Park, and San Francisco, Calif. They will depart for Geneva, Switzerland, from Ontario International Airport at Los Angeles on July 14

[1] For background, see BULLETIN of Mar. 28, 1960, p. 488

Department Recommends Senate Approval of Mutual Security Treaty With Japan

Statement by Secretary Herter[1]

A Treaty of Mutual Cooperation and Security was signed on January 19, 1960, by Japan and the United States and has been submitted by the President to the Senate for its advice and consent to ratification.[2]

The Treaty of Mutual Cooperation and Security represents a significant strengthening in treaty relations between Japan and the United States. The impressive strides made since 1952 in developing a pattern of close cooperation with Japan and expanding the scope of our relations are reflected in the new treaty, which lays out the basis for, in the words of President Eisenhower, "an indestructible partnership between our two countries in which our relations would be based on complete equality and mutual understanding."

The Treaty of Mutual Cooperation and Security is a logical consequence of the developments which have taken place since April 28, 1952, when Japan's sovereignty was restored.[3] Since that date the security relationship with Japan has been guided by the Security Treaty signed at San Francisco on September 8, 1951,[4] and now to be replaced by the new treaty. In 1952 Japan was militarily completely dependent upon the United States forces stationed in that country. Reflecting this situation, the Security Treaty gave the United States the right to station troops in Japan for the purpose of contributing to the defense of Japan and the maintenance of peace and security in the Far East but imposed no treaty obligation upon us to assist in Japan's defense.

From the outset there was recognition that there would be a future need to revise the Security Treaty under appropriate circumstances. The Senate was informed at the time regarding our expectation of subsequent treaty revision. In his statement summarizing the Security Treaty the Honorable John Foster Dulles said in part:[5]

> . . . it is in the mind of the parties that the present bilateral arrangement is only an initial step in an evolutionary process. . . . It is to be presumed that the United States would welcome developments which would reduce Japan's initial, almost total, dependence on the United States for security.

The provisions of the 1952 treaty itself also quite explicitly anticipate its revision. The preamble of the treaty defines it as "a provisional arrangement for Japan's defense," and article IV states that it shall expire whenever, in the opinion of both Governments, there are satisfactory alternative provisions for the maintenance of international peace and security in the Japanese area.

By 1957 Japan had made great progress toward lessening its dependence upon the United States. Its restoration to a respected position in the community of nations was attested by its election to the Security Council of the United Nations, its defense capabilities were growing, and its economic health was vastly improved. In that year Japan became the second best market for United States exports. In June of 1957 Prime Minister [Nobusuke] Kishi and President Eisenhower met in Washington[6] and charted the development of

[1] Made before the Senate Foreign Relations Committee on June 7 (press release 307).

[2] S. Ex. E, 86th Cong., 2d sess.; for text of treaty and related documents, see also BULLETIN of Feb. 8, 1960, p. 179.

[3] For text of the Treaty of Peace With Japan, see Treaties and Other International Acts Series 2490.

[4] For text, see BULLETIN of Sept. 17, 1951, p. 464.

[5] S. Ex. A, B, C, and D, 86th Cong., 2d sess.

[6] BULLETIN of July 8, 1957, p. 51.

a new relationship between the United States and Japan firmly based on equality and mutuality, common interest and trust. During these discussions, looking forward to a revision of the Security Treaty, they reaffirmed that this treaty was designed to be transitional in character.

In September 1958 Foreign Minister Aiichiro Fujiyama met with the late Secretary Dulles and proposed the opening of negotiations looking to a general revision of the United States–Japan security arrangements.[7] After consultations with members of this committee, we agreed to the Japanese proposal, believing that the inconsistency of the provisions of the Security Treaty with Japan's altered position and the mutual desire for a broad partnership based on sovereign equality made new treaty arrangements particularly desirable.

The negotiation of the new treaty arrangements commenced in October 1958. These negotiations were conducted over a 15-month period in Tokyo by Ambassador Douglas MacArthur II and culminated in the signing at the White House of the new treaty on January 19, 1960.

Terms of Treaty

I should like to describe the terms of the new treaty and the general provisions of the other security arrangements which have been transmitted for the information of the Senate.

The treaty consists of a preamble and 10 substantive articles. The preamble sets forth the spirit and purposes of the treaty. It declares the desire of both countries to strengthen their friendship, to uphold their free institutions, to encourage economic cooperation, and to promote their economic stability and well-being. It reaffirms their faith in the United Nations and the desire to live in peace with all peoples and governments. It recognizes the inherent right of individual or collective self-defense affirmed in the charter of the United Nations and reflects the common concern of both nations in the maintenance of international peace and security in the Far East.

Article I generally corresponds to the comparable articles of other Pacific bilateral treaties to which the United States is a party. Under the terms of the first paragraph both parties reaffirm their solemn obligations under the charter of the United Nations to settle by peaceful means any international disputes in which they may be involved and to refrain in their international relations from the threat or the use of force against the territorial integrity or political independence of any state or in any other manner inconsistent with the purposes of the United Nations. In addition, the article provides that both parties will endeavor to strengthen the United Nations so that its mission of maintaining international peace and security may be discharged more effectively.

Article II, which corresponds to a similar article in the North Atlantic Treaty, reflects the broad community of interest of the United States and Japan in furthering the freedom and well-being of their peoples. Under its provisions both parties pledge themselves to contribute to the development of peaceful and friendly international relations by strengthening their free institutions and by promoting conditions of stability and well-being. Further, they will seek to eliminate conflict in their international economic policies and encourage economic collaboration.

Article III embodies in the treaty the principle of the Vandenberg resolution, which is also contained in other Pacific treaties. Both parties pledge, by means of continuous self-help and mutual aid, to maintain and develop their capacities to resist armed attack, subject to their constitutional provisions.

Provision is made under article IV for consultation regarding the implementation of the treaty and whenever the security of Japan or international peace and security in the Far East is threatened.

Article V provides that:

> Each Party recognizes that an armed attack against either Party in the territories under the administration of Japan would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional provisions and processes.

This article also makes clear once again that there is to be no conflict with the United Nations Charter. Measures taken to deal with an armed attack are to be reported immediately to the Security Council of the United Nations. Such steps as are taken will be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

The language of this article corresponds to the

[7] *Ibid.*, Oct. 6, 1958, p. 532.

comparable provisions in previous Pacific treaties except for the recognition given to the particular constitutional problems faced by Japan. Article 9 of the Japanese Constitution provides that "the Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as means of settling international disputes. . . ." And to accomplish this aim "land, sea, and air forces, as well as other war potential, will never be maintained."

Japan considers that this provision limits it to actions in the self-defense of Japan. The treaty area is therefore defined as the territories under the administration of Japan, and article V, as well as article III, refers to constitutional provisions.

Agreement Regarding U.S. Forces

Under article VI the United States is granted for its forces the use of facilities and areas in Japan for the purpose of contributing to Japan's security and the maintenance of international peace and security in the Far East. The use of these facilities and the status of the U.S. armed forces in Japan are to be governed by a separate agreement and by such other arrangements as may be agreed upon.

The President has transmitted this separate agreement to the Senate for its information. This agreement, which is commonly described as the Japan status-of-forces agreement, will replace the Administrative Agreement[8] under which we are now operating in Japan. There are very few major changes from the old agreement. The changes that have been made bring the agreement into conformity with the letter and spirit of the new treaty and reflect our experience of the past 8 years with status-of-forces agreements in Japan and elsewhere. Several of the new provisions have been adapted from the NATO status-of-forces agreement and the supplementary status-of-forces agreement with Germany. There has been no change in the criminal jurisdiction provisions, which are identical in substance with the NATO status-of-forces agreement.

An exchange of notes related to this agreement has also been submitted to the Senate for its information. This exchange is concerned with the settlement of certain claims against U.S. forces under article XII, paragraph 6, of the agreement.

A further arrangement under article VI of the treaty is a very important exchange of notes expressing the agreement of the United States to conduct prior consultation with Japan in certain situations. These consist of major changes in the deployment into Japan of U.S. armed forces, major changes in their equipment, and the use of facilities and areas in Japan as bases for military combat operations other than in defense of Japan. In connection with this exchange of notes President Eisenhower assured Prime Minister Kishi, during the latter's visit to Washington in January to sign the treaty, that the U.S. Government has no intention of acting in a manner contrary to the wishes of the Japanese Government with respect to these matters involving prior consultation.

Article VII affirms that the obligations of the parties under the treaty do not affect in any way their obligations under the charter of the United Nations and recognizes the responsibility of the United Nations in maintaining international peace and security.

Articles VIII and IX provide that the treaty will enter into force on the date of exchange of instruments of ratification in Tokyo and that the present Security Treaty will expire when the Treaty of Mutual Cooperation and Security enters into force.

Under article X the treaty remains in force until both parties are of the opinion that United Nations arrangements have come into force satisfactorily providing for the maintenance of international peace and security in the Japan area. It provides further that either party may give notice of its intention to terminate the treaty after the treaty has been in force for 10 years, in which case the treaty is terminated 1 year after notice has been given.

Documents Related to Treaty

In an agreed minute to the treaty, Japan expresses its concern for the safety of the people of the Ryukyu and Bonin Islands administered by the United States under article 3 of the 1952 peace treaty with Japan and its desire that the two parties consult under article IV of the present treaty if there is an armed attack or a threat of such against these islands. Japan also expresses

[8] For text of the Administrative Agreement and protocol, see *ibid.*, Mar. 10, 1952, p. 382, and Nov. 2, 1953, p. 595.

its intention in the minute to explore with the U.S. measures Japan might take for the welfare of the people of these islands in the event of an armed attack. The United States in turn agrees to consult with Japan in the event of an armed attack against these islands and states its intention to take the necessary measures to defend the islands and to do its utmost to secure the islanders' welfare. This is the only reference in the treaty and related agreements to the Ryukyu and Bonin Islands. Their status was not discussed during the negotiations, and they remain under United States administrative control.

There are two additional exchanges of notes in connection with the treaty. The first refers to the exchange of notes between Prime Minister Yoshida and Secretary of State Acheson, signed on September 8, 1951, regarding the support in and about Japan of United Nations forces. Under this exchange of notes Japan agrees to continue in force this exchange of notes of September 8, 1951, as long as the Agreement Regarding the Status of United Nations Forces in Japan[9] remains in force.

The second exchange of notes establishes a United States–Japan Security Consultative Committee which could as appropriate be used for consultations between the Governments under article IV of the treaty, under the aforementioned exchange of notes under article VI of the treaty, and on any matters underlying and related to security affairs.

In sum the Treaty of Mutual Cooperation and Security is entirely consistent with the fundamental objective of postwar United States policy toward Japan: the development of a relationship of mutual confidence which would permit the closest possible friendship and cooperation between the United States and Japan. The United States has steadfastly pursued this objective throughout the postwar period—during the occupation, in the Treaty of Peace With Japan, and in the posttreaty period.

Furthermore, by reflecting the political and economic aspects of relations with Japan as well as the security arrangements, the treaty gives full recognition to the broad scope of mutual interests between the two countries.

Finally, this treaty is designed to advance the cause of peace and freedom throughout the world. It connotes no aggressive intentions, and no nation need fear that the partnership between the United States and Japan, reflected in this treaty, represents a threat to it. The treaty with Japan is entirely defensive in character and intent. I believe it is an important contribution to our ceaseless effort to strengthen the fabric of international peace and security.

[9] TIAS 2995.

Congressional Documents Relating to Foreign Policy

86th Congress, 2d Session

"Gross-Up" in Connection With Foreign Tax Credit Allowed Domestic Corporations on Dividends From a Foreign Subsidiary. Hearings before the House Ways and Means Committee on H.R. 10859 and 10860, bills relating to the amount includible in gross income by domestic corporations receiving dividends from foreign corporations and to the computation of the foreign tax credit allowable with respect to such income. April 11, 1960. 84 pp.

Foreign Commerce Study: International Travel. Hearings before the Senate Interstate and Foreign Commerce Committee on S. 3102, a bill to strengthen the domestic and foreign commerce of the United States by providing for the establishment of an Office of International Travel and Tourism and a Travel Advisory Board, and S. 3162, a bill to establish a U.S. Travel Commission and a U.S. Office of International Travel. May 2–3, 1960. 195 pp.

Authorizing Appropriations Incident to United States Participation in the International Bureau for the Protection of Industrial Property. Report to accompany H. J. Res. 627. H. Rept. 1631. May 19, 1960. 3 pp.

The Nature and Feasibility of War and Deterrence. A study prepared by Herman Kahn, physics division, the Rand Corporation. S. Doc. 101. May 24, 1960. 37 pp.

Amending the International Claims Settlement Act of 1949, as Amended. Report to accompany S. 2634. S. Rept. 1419. May 24, 1960. 9 pp.

Amistad Dam and Reservoir. Report to accompany H.R. 12263. H. Rept. 1654. May 25, 1960. 15 pp.

Communication from the President transmitting proposed supplemental appropriations for the fiscal year 1961 for the President's Special International Program and the Departments of Agriculture, Commerce, and State. H. Doc. 400. May 26, 1960. 3 pp.

Extension of Defense Production Act. Hearing before Subcommittee No. 1 of the House Banking and Currency Committee on H.R. 12052. May 26, 1960. 5 pp.

Fifth NATO Parliamentarians' Conference. Report of the United States House delegation to the conference of NATO Parliamentarians, held in Washington, D.C., November 16–20, 1959. H. Rept. 1663. May 26, 1960. 15 pp.

Background Documents on Events Incident to the Summit Conference. Senate Committee on Foreign Relations. May 27, 1960. 75 pp. [Committee print]

International Travel. Report to accompany S. 3102. S. Rept. 1493. May 27, 1960. 23 pp.

Providing for Certain Pilotage Requirements in the Navigation of U.S. Waters of the Great Lakes. Report to accompany S. 3019. H. Rept. 1666. May 27, 1960. 8 pp.

GATT Contracting Parties Conclude 16th Session

Press release 306 dated June 6

On Saturday, June 4, the 42 countries which participate in the work of the General Agreement on Tariffs and Trade (GATT) ended their 16th session. This was after 3 weeks of intensive work in Geneva on current problems of international trade. Noteworthy developments at the session included announcements by a number of countries on planned reductions of import restrictions; an examination of the European Free Trade Association and the Latin American Free Trade Area; agreement to attack the problems involved in "market disruption" which may be caused by sudden increases in imports of specific commodities; further progress in carrying out the GATT "program for the expansion of international trade"; and agreement on arrangements looking toward the provisional accession of Spain and Portugal to the General Agreement.

Removal of Import Restrictions

During the session various delegations announced actions they are taking or plan to take in the further removal of import restrictions. According to statements made by representatives of Belgium, Germany, Italy, Malaya, and the Netherlands, these countries will announce new liberalization lists in the near future. It is expected that import restrictions will be removed on a number of products of particular interest in the United States. Furthermore, Australia and the United Kingdom stated that action will be taken looking toward the easing of remaining restrictions. These announcements are particularly gratifying to the United States, which has played a leading role in the drive for the removal of important restrictions by countries which have emerged from balance-of-payments difficulties.[1]

[1] For text of a joint State-Commerce-Agriculture announcement of Apr. 25, 1960, on trade liberalization and country summaries on relaxation of quantitative restrictions against U.S. exports, see BULLETIN of May 30, 1960, p. 873.

The GATT Balance-of-Payments Committee held consultations before and during the session with a number of countries (Austria, Brazil, Greece, India, South Africa, and Uruguay) which still maintain import restrictions for balance-of-payments reasons. The United States took an active part in these consultations in order to encourage the maximum possible degree of progress in the further removal of restrictions that hamper the export of American goods.

The Contracting Parties discussed the question of the best way to deal with the import restrictions that may be retained after a country renounces its resort to the balance-of-payments exception in the agreement. There was a consensus that the full influence of the Contracting Parties should be used to minimize the extent of such restrictions and that the existing procedures of the Contracting Parties should be applied effectively and expeditiously to any restrictions that are retained. To expedite action a contracting party that emerges from balance-of-payments difficulties should promptly report any residual restrictions to the Contracting Parties, present its plans and policies for dealing with them, and stand ready to consult with other countries whose export interests are affected by the restrictions.

Specific commodity problems were discussed by the U.S. delegation on a bilateral and informal basis with other delegations, including those of Austria, Belgium, Denmark, Germany, and Italy. The discussions included a number of agricultural and industrial commodities for which American producers and exporters had requested information and assistance regarding trade restrictions. It is hoped these conversations will result in the relaxation of restrictions on U.S. products in the near future.

Regional Market Arrangements

The Convention for the Establishment of the European Free Trade Association (EFTA), which had recently been ratified by Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom, was examined by the

Contracting Parties in the light of relevant provisions of the GATT. The spokesman for the Seven emphasized that the Stockholm Convention had been drawn up with the intention of freeing their trade not only with one another but also with the rest of the world. He stated that the signatories to the convention were agreed that their cooperation in the EFTA should be firmly based on the principles of the GATT. The U.S. representative expressed the belief that, while certain aspects of the trade arrangements provided for in the convention raised questions which might call for an adjustment on the part of the member states, the Stockholm Convention on balance deserved the support and approval of the Contracting Parties to the General Agreement.[2] The provisions of the convention were subsequently examined and discussed in detail by a working party, which submitted an interim report. It was agreed that the consideration of the Stockholm Convention should be continued at the 17th session.

The Latin American Free Trade Area was also discussed at the current session. This new free-trade area was established by the Treaty of Montevideo, signed on February 18, 1960, by representatives of four countries which participate in the GATT (Brazil, Chile, Peru, and Uruguay) and three which do not (Argentina, Mexico, and Paraguay). The spokesman for the signatory governments explained the purposes and the general provisions of the treaty, emphasizing the conviction that it would contribute to an expansion of world trade. The U.S. delegation endorsed the treaty objectives of achieving higher standards of living and accelerating economic development through elimination of intraregional trade barriers and the maximum utilization of productive factors. The signatory governments were assured that the United States would give sympathetic and serious consideration to the treaty during the GATT review. The Contracting Parties created a working party to examine the treaty in the light of its conformity with the objectives and provisions of the General Agreement.

The European Economic Community (EEC) reported on the progress it has made during the last 6 months in integrating the six member states. The spokesman stated that the more quickly integration is achieved, the more dynamic, open, and liberal will be the trade policy of the Common Market. In the ensuing discussion the United States and other contracting parties emphasized the importance of liberal trade policies by the Community. The United States and other agricultural exporters expressed concern about some of the agricultural proposals now under consideration in the EEC and stressed the need for assuring the highest possible level of international trade in agricultural products. In a separate statement an EEC Commission spokesman discussed the Commission's preparations for participation in the 1960–61 tariff negotiations, which, to a large degree, will be concerned with the new EEC common external tariff.

Avoidance of Market Disruption

There is serious concern that sharp increases in imports in a narrow range of commodities could have adverse economic, political, and social repercussions in some importing countries. As a result quantitative restrictions on trade, particularly against manufactured exports coming from Japan and the less developed countries of Asia, continue to be widespread.

To meet these two related problems the Contracting Parties laid out a broad work program with the view to finding practical ways to facilitate an expansion of trade while avoiding possible adverse effects stemming from sharp increases.

The new program designed to deal with the problem of "the avoidance of market disruption" will be undertaken by a special working party established at the session. Its first task will be to consider certain factual material already compiled by the GATT secretariat on instances of possible market disruption and to suggest multilaterally acceptable solutions consistent with the GATT principles for those problems which call for immediate action. The working party will try to develop suitable and temporary safeguards which would prevent market disruption and would permit further progress in eliminating the restrictions which now limit exports from Japan and the less developed countries.

The second part of the working party's program will consist of a study of the basic factors involved in problems of market disruption. The

[2] For text of a statement made by Charles W. Adair, Jr., on May 17, see *ibid.*, June 13, 1960, p. 975.

study will include an examination of the relevance to international trade of differences in wages, social charges, and productivity among countries. In making arrangements for the study, the working party is expected to draw upon the services of experts in the field and of the International Labor Office.

Program for the Expansion of International Trade

At the 16th session the Contracting Parties reviewed the work of two special committees which had been set up to help promote the expansion of international trade and which had been meeting between sessions.

Committee II continued its consultations with individual countries on their agricultural policies as part of its work in carrying out its mandate to explore ways of expanding agricultural trade. Since the consultations began last September, 29 countries have consulted, including the most important agricultural exporters and importers. This phase of the work is soon to be completed. The data gathered on a country basis will now be studied commodity by commodity to focus attention on the specific obstacles to expanding trade in particular products.

Committee III is seeking ways to expand the export earnings of the less developed countries, thus accelerating their development and enabling them to be less dependent on foreign aid. The Contracting Parties approved the report of the committee's March meeting, where principal obstacles to increased exports of the less developed countries have been identified. These consisted of high levels of revenue duties and internal fiscal charges; higher tariffs imposed on imports of processed goods compared to raw materials; tariff preferences; severe quantitative restrictions, some of which discriminate against less developed countries; state monopolies; and price-support policies of the industrialized countries. The committee will examine the progress the industrial countries make in reducing these obstacles.

Additional Participation in the GATT

During the session just ended, Portugal and Spain announced their desire to accede to the General Agreement. There was widespread support for these applications. It is anticipated that Portugal and Spain will engage in the negotiation of tariff concessions during the GATT Tariff Conference to be held in Geneva beginning September 1, 1960.[3]

In addition the GATT Executive Secretary was asked to begin consultations looking toward the eventual accession to the GATT of the newly independent countries of Cameroun and Togo.

Paris Economic Meeting

The Contracting Parties discussed the meetings held in Paris in January [4] and March 1960 on economic matters. These meetings, attended by the 18 OEEC countries, the United States, Canada, and the Commission of the EEC, considered the reconstitution of the OEEC and certain European trade matters. The discussion of this item at the 16th session centered mainly on the proposal for a new Organization for Economic Cooperation and Development (OECD). Some concern was expressed by the Contracting Parties which would not be participating in the new organization about the role of the OECD in the trade field. The U.S. delegation reaffirmed its view that the GATT had a primary position in the field of international trade. Other delegations whose governments are participating in the Paris meetings also assured the Contracting Parties that it was not the intention to weaken in any way the position of the GATT. It was also made clear that any actions in the trade field would be in accordance with the provisions of the GATT. As evidence of their determination to observe GATT principles, the participating governments pointed to the fact that the Executive Secretary of the GATT took part in the discussions in Paris.

Other Business

A number of other items of importance for international trade were dealt with at the 16th session.

Because of the increasing number of contracting parties to the GATT and the growing volume and importance of their joint tasks, it was agreed that new procedures should be introduced to facilitate the conduct of GATT business. A group of representatives of contracting parties, meeting at regular intervals between sessions, will lighten the burden of routine work now done by the Con-

[3] For an article on "The 1960–61 GATT Tariff Conference" by Honoré M. Catudal, see *ibid.*, Feb. 22, 1960, p. 291.

[4] For background, see *ibid.*, Feb. 1, 1960, p. 139.

tracting Parties and also make possible more thorough preparation of material to be considered at the semiannual sessions. The work of this group should enable the Contracting Parties to devote more of their time at regular sessions to questions of major policy importance.

The Contracting Parties gave their approval to reports prepared before and during the session by a GATT panel of experts concerning proposed conventions which are designed to provide for the temporary free importation of packing materials and professional equipment, including motion picture and television equipment. Draft conventions on these subjects had been prepared by the Customs Cooperation Council in Brussels, to whom the report of the GATT experts will now be sent.

The Contracting Parties also dealt with technical reports which had been prepared by groups of experts regarding restrictive business practices, subsidies, state trading enterprises, and antidumping and countervailing duties.

The chairman of the U.S. delegation was Charles W. Adair, Jr., Deputy Assistant Secretary for Economic Affairs, Department of State. Walter A. Edwards, Deputy Assistant Secretary for Domestic Affairs, Department of Commerce, served as vice chairman, and Alfred Reifman, of the Office of International Trade, Department of State, as the assistant chairman. Other members of the U.S. delegation were from the Departments of State, Treasury, Interior, Agriculture, Commerce, and Labor.

The Trust Territory of the Pacific Islands

Following are statements made in the U.N. Trusteeship Council by Delmas H. Nucker, U.S. Special Representative in the Trusteeship Council.[1]

OPENING STATEMENT, APRIL 25

U.S./U.N. press release 3390

It is a privilege and honor to again appear before this body as the Special Representative for the Administering Authority of the Trust Territory of the Pacific Islands to report on the progress of our administration since July 1, 1959. I shall attempt to bring the Council up to date on significant political, social, and economic development in the territory.

Intermediate Targets and Dates

The United States continues to support the concept of intermediate targets and dates in all fields of development in the Trust Territory of the Pacific Islands. These targets and dates have been set forth in some detail at previous sessions, and, as shall be noted later in this report, considerable progress toward the attainment of specific goals announced earlier has been accomplished during the past year.

The goal of our general administration program is to replace American staff with trained and qualified Micronesians through a planned and steady process, and we have continued to press forward on this aspect the past year. An event worthy of note in this area occurred last October in the communications field. In five of our seven districts, Micronesian radio operators took over management of the district radio station from their American counterparts. A special school for these "station managers" has been established in Truk, and in turn these five Micronesian supervisory radio operators will receive the benefit of additional supervisory training. In education an outstanding event was the replacement of two American teachers at the Pacific Islands Central School by qualified Micronesian teachers. From all reports these two Micronesian teachers have done an excellent job. We are well on the way toward meeting our target goal of having a complete Micronesian staff at the school by 1965.

[1] Mr. Nucker is High Commissioner of the Trust Territory of the Pacific Islands. For a review of the previous year, see BULLETIN of Aug. 17, 1959, p. 242.

The Council will recall that last year I set forth as one of our target goals in the administration field the replacement by 1964 of two of our American assistant district administrators with qualified Micronesians. I am pleased to report that the first step toward meeting this particular goal will have been accomplished by July 1 of this year. In Palau District two new positions—those of special assistants in the fields of political and economic affairs and in administration affairs—have been established. These positions will be training jobs and, it is hoped, will lead by 1964 into the positions of assistant district administrators.

During the year our first Micronesian served as an acting district administrator. On two occasions the Micronesian Finance Officer of Rota served in that capacity and handled the operations of this small district competently and to our complete satisfaction.

To further our program of planned replacement, an intensive inservice training project has been started at headquarters. Outstanding Micronesian employees in fields such as general administration, finance, public works, supply, and other operations now are undergoing "internship" training in their selected fields at headquarters. Three trainees a month currently are participating in this project, and by July 1 of this year some 12 outstanding Micronesian employees will have completed this specialized internship program.

We have now reached the stage where Micronesian employees have acquired basic training in our fields of operation and need specialized training in their chosen careers. To provide this advanced training, special courses and schools are scheduled. In the past year 10 special training courses were conducted. These were: a training school for trial assistants, a training school for public defenders, a training school for public prosecutors, an industrial safety school, a school for surveyors, a training school for supervisory radio operators, a training course in trochus development, and three training schools in various aspects of agricultural extension training. Additionally the year saw the opening of a permanent school for dental hygienists in the Marshalls.

Two important improvements to the Micronesian Title and Pay Plan are ready for implementation. Starting with the new fiscal year on July 1, 1960, a longevity wage schedule will be added to the present Micronesian Title and Pay Plan. A noteworthy step also will be the forthcoming adoption of a special wage schedule on July 1, 1960, for senior professional and executive Micronesian employees. It will be recalled that proper remuneration for Micronesians who fill top professional and executive positions, particularly those replacing American civil service personnel, has been discussed at previous sessions of the Council. The new salary scales for professional and executive categories, we believe, will adequately compensate the Micronesians who meet the qualifications for these top positions.

Economic Development

The appreciable increase in copra production this year was due to better transportation service plus increase in prices paid for copra to the producers. The favorable price of copra on the world market enabled the Copra Stabilization Board on November 7, 1959, to raise the copra price to $150 per short ton for grade-one copra in the field. In the first 9 months of the present fiscal year a total of 8,200 short tons of copra was produced in the trust territory. If the present rate of production continues, we anticipate that copra production at the end of June 1960 will be approximately 11,200 tons. Though this anticipated production will not reach the 13,000-ton pretyphoon level of 1958, the total cash income will be greater since the producers are receiving a higher price for their copra. Income from copra this present year may well reach $1,500,000, the highest level thus far attained in the territory.

Although trochus shell production in 1959 demonstrated a slight increase over the previous year, the reduced market activity of the past few years has had a deleterious effect on the overall trochus revenue of the territory. It is too early to anticipate the trochus income for this present year, since much of the trochus has still to be harvested and sold.

Though trochus income has declined, income from fish exports has steadily increased. In Palau, partly through the efforts of the pilot fishing project, a fisheries marketing cooperative has been established and regularly exports fish to the Guam market. In Ponape District, a fishing cooperative also has been formed, although this is a cooperative of the fishermen rather than simply a marketing association. The Ponape fishing cooperative provides fresh fish for the local district market

and frozen fish for interdistrict sales and for export to Guam. Fish exports to areas outside the territory in 1959 brought in revenue of slightly over $19,000. We expect fish exports to double this present year. Further, if local and interdistrict sales of fish are included with export sales, the revenue from fisheries this present year may well reach $100,000.

The cacao subsidy program, described in some detail last year, is developing faster than we originally anticipated. Some 80,000 cacao seedlings will have been planted by the end of June under this year's subsidy program—double the original goal of 40,000 trees. Additionally during the year some 55,000 cacao seedlings were planted outside the subsidy program, and it is estimated that there are approximately 200,000 cacao trees planted in the field. The keen interest demonstrated by the Micronesians in this project led to the holding of a cacao training school for Micronesian extension agriculturists at the cacao headquarters in Ponape.

On a district level, interest and concern in economic development continues to grow. In the past year several districts established economic development boards or committees to study local possibilities of economic development. Preliminary discussions also were carried out on a Washington level for the undertaking of a comprehensive economic survey in line with recommendations made by the 1959 visiting United Nations mission and at the 24th session of the Council.

During the year a branch of the Bank of Hawaii was established on Kwajalein, thus bringing banking facilities to the people of the northern Marshalls. After conducting a banking survey in Truk District, the Bank of America this month requested permission from the Federal Reserve System to open a subbranch in Truk. We anticipate that permission will be granted, and banking facilities should be available to the people of Truk District within the next few months.

Keen interest in credit unions is found. A month-long credit union seminar was held last January in Palau with an attendance of 42 members, 12 representing various district government activities and 30 representing municipalities, hamlets, and associations. This credit seminar already has resulted in requests for formal chartering of two credit unions. Interest in forming credit unions in other districts is also high.

The past year has seen considerable improvement in transportation facilities. An additional field-trip ship, the MV *Ran Annim*, was put in operation for the Truk District. This ship is a sister ship to the present AKL's, the MV *Roque* and MV *Errol*, and her acquisition enabled us to replace the former inadequate Truk station vessel. Preliminary arrangements also were made for the procurement of another ship comparable to the MV *Kaselehlia*. Like the MV *Kaselehlia*, the new field ship will be built to our specific needs and will be able to perform needed field-trip service more efficiently and more economically than the larger AKL's.

Agriculture

In our agriculture program major emphasis was placed on the program of coconut-grove rehabilitation. The status of the typhoon rehabilitation programs in the Marshalls, Truk, and Yap Districts is eminently satisfactory. In Jaluit and Namorik Atolls, for example, the typhoon rehabilitation programs have progressed much more rapidly than was thought possible. Our original typhoon survey indicated that it would take 3 years to replant Namorik with coconut and subsistence crops, while a 6-year replanting program was anticipated for the very badly damaged Jaluit Atoll. The rehabilitation work by the people of these two atolls has been outstanding, and the joint efforts of the administration agriculturists and the local people have modified considerably the original timetable.

Namorik Atoll was completely replanted in a year and a half. The replanting on Jaluit Atoll now has reached the halfway mark, and if the present rate of progress continues, its replanting program shall be completed by the end of 1961 or in half the time originally scheduled. This does not, of course, mean that these two atolls will soon be self-sufficient, since it will take another 5 to 6 years before the new coconut groves will bear a commercial crop. The progress made, though, bears witness to the industry and cooperation of the people of these two atolls.

Similar fine cooperation has resulted between the administration agriculturists and the people of the islands hit by typhoons in the Truk and Yap Districts. The people of the typhoon-damaged areas still have a long and arduous task

before them, but they are facing it with fortitude and without complaint.

The agriculture extension program has been expanded considerably with particular emphasis placed on providing additional training to Micronesian agricultural extension agents. As mentioned above, a special training course in cacao development was held during the year. Last month, territorywide training courses in copra processing and animal husbandry were conducted in Ponape.

Our insect eradication program continues to receive close attention. In addition to control projects described in previous reports, a new and important project was launched a few months ago in Rota, Tinian, and Saipan. There the U.S. Department of Agriculture in collaboration with the trust territory administration is attempting through experimental use of irradiated flies and other means to bring under control the oriental fruit fly and the melon fly, which are a serious pest to the vegetable growers of this region.

Our fisheries development program is aimed at the encouragement of small-scale local fishing enterprises as well as the expansion of the pilot fishing project in Koror. Through the providing of ice at low cost, the scheduling of training courses in fishing techniques, giving aid in setting up marketing cooperatives, the pilot project in Koror has enabled the local fishermen of Palau materially to increase their catch. The pilot project carried out long-line fishing operations during the year using the project fishing boat and local crews. This experiment demonstrated conclusively that local crews can successfully conduct the long-line fishing operations which are essential to any commercial fishing venture involving the freezing or canning of fish for export purposes. Since bait procurement now is the principal problem facing the pilot fishing project, research continues in an attempt to find a solution to this aspect.

Work on the rehabilitation and construction of essential project items such as freezing and refrigerated storage facilities moved forward, and procurement of processing equipment for fish byproducts was initiated. If the present rate of progress continues, our next step will be to develop preliminary plans for a small pilot canning factory.

Trochus survey work also remains part of the fisheries program. A 2-month trochus training course was conducted for fisheries personnel from Palau, Ponape, Truk, and Marshalls Districts. A trochus transplanting project for Yap District currently is under way.

Public Health

In the field of public health we have achieved our target goal of turning over district public-health activities to qualified Micronesian medical officers in all districts other than Saipan. Postgraduate education to provide specialized and advanced training for licensed medical officers is being provided through a variety of sources. A medical officer returned to the territory after a year of postgraduate training at the School of Public Health, University of California. Currently he is interdistrict consultant in public-health administration. His present assignment is in Yap District, and after aiding that district to work out a better public-health program, he will move on to other districts. A medical officer from Palau at the present time holds a World Health Organization fellowship in public-health administration in the Philippines. Four additional students were enrolled at the Central Medical School in Suva last January, bringing the total of trust territory medical students at the Suva school to 10. In this new group was a young woman from Palau District who has the distinction of being the first trust territory woman candidate for medical officer training. The Council will be interested to learn that arrangements have been completed, in line with recommendations made at the last session, to enroll one student each from Palau and Yap Districts in the premedical course at the University of the Philippines. These two candidates will start premedical training there next month. Although completion of a medical education for these candidates still lies considerably in the future, the administration intends to augment the corps of medical officers trained at the Suva school with Micronesian medical personnel who will have full medical degrees.

Our program of dental care was intensified with the opening in Majuro last November of a permanent school for dental hygienists. A Micronesian District dental officer is being groomed for promotion this coming year to the position of Territory Director of Dental Services.

Other specialized public-health training was

carried out. Twenty-seven sanitarians attended a special school in community hygiene and sanitation in Truk. A territorywide health-education training course for public-health and education staff is slated to be held this coming autumn in Ponape.

Major attention was focused on the serious problem of tuberculosis. A standardized attack on tuberculosis now is under way in several districts under the direction of the Assistant Director of Public Health. District by district, a special team of doctors and nurses is being organized and trained for specialized tuberculosis treatment and control work. The BCG program was continued.

New hospital construction has started in those districts where it has been most sorely needed. In Koror, Palau District, the construction of the new hospital is well under way, and ground for the new hospital plant in Majuro has been broken. Actual work on the Majuro hospital will start within the next few months. Additionally, remodeling of hospital units was carried out this year in Ponape and Yap Districts.

Education

In the field of education emphasis is placed on the strengthening of a system of education designed to provide training of permanent value to the youth of Micronesia and intended to equip them to live better within the framework of their own society. Prior reports to this body have given in detail the various levels of our education system and methods of operation. In this brief review I wish only to cite a few noteworthy events of the past year which, in my estimation, have improved our overall education program.

The Pacific Islands Central School opened its doors at its new plant in Ponape last October to the largest student body in its history. An event of special significance was the attendance at the official dedication of the Honorable Fred A. Seaton, Secretary of the Interior. The school now has physical facilities which are equal to those of a modern high school anywhere in the world. Its faculty has been enlarged to enable the school to implement the new and improved curriculum which places suitable stress on the vocational arts and agriculture as well as on general education.

During the year a more unified elementary school curriculum was developed. Its implementation should substantially improve the level of the community elementary school. Progress has been made toward uniformity of standards, teaching staff, and teaching methods. Preliminary work on revision of the intermediate school curriculum has been started.

Through summer training sessions, teacher institutes, model schools, and field programs of the teacher-trainer projects, the better training of elementary school teachers is being accomplished. Minimum qualifications for elementary school teachers have been set up in all districts, and standardization of teachers' salaries, at least on district levels, now is found.

Our school population continues to grow. Currently some 14,000 students are enrolled in the public and private schools of the territory. If the challenge of the strong desire for education is to be met, it is essential that municipal councils, district congresses, local school boards, and the administration join forces and work in close cooperation. Each district congress which met this past year devoted major consideration to problems of elementary school education. The bulk of all congress revenue now goes to the support of the district elementary school teachers.

Through the grant-in-aid program the administration helps in the construction of new elementary schools. Eleven new elementary schools have been built under this program, three of these being under construction at the present time.

A long-awaited event in Rota was the opening of the first year of a public intermediate school. The second year will be added this year and the third and final year in 1961. There are now eight public intermediate schools providing junior secondary education in the territory.

The providing of advanced education outside the territory is an important aspect of the overall education program. Following recommendations made by the Inter-District Advisory Committee and district scholarship boards, this year we have shifted somewhat our emphasis in the scholarship program. Three scholarships per district were offered, as has been done in the past, but definite fields of study were specified. Thus, for 1960 one scholarship per district in the industrial arts was offered, three scholarships were offered in the field of agriculture, and the remaining seven district scholarships were in education and general fields.

The degree scholarship program remains an important part of our scholarship program

There are now eight degree scholars studying in various fields, and additional grants in this category are planned.

Construction

Our construction program moved forward in all districts. An outstanding achievement was the completion of the Pacific Islands Central School plant in Ponape. A major operation, and one which will take several years to finish, is the construction of a new dock and harbor facilities at Truk. Work progresses satisfactorily on this project. Considerable construction occurred on hospital projects, as noted in the comments on public health. New intermediate schools are under construction in the Marshalls and in Truk District. In Yap a new administration building is about 50 percent completed. Rehabilitation and construction of warehouses, refrigeration plants, administration housing, roads, and other activities continues as a part of our regular construction program.

Claim Settlement

Effort was exerted to wipe out remaining land-claim settlements in the territory. Final settlement for the Ulithi claims in the Yap District was made, and partial settlement for administration retention areas was completed at Majuro. Further negotiations on the only large remaining area of land-claim settlement, that of Kwajalein Atoll, were attempted, but as the Council is aware from the presence of the petitioners from Kwajalein, no agreement has been reached on settlement for that area.

Status of Displaced Marshallese

The status of the people of Kili and Ujelang has been satisfactory. Both groups received annual interest payments from their trust funds, amounting to over $10,000 for the people of Kili and $4,500 for the people of Ujelang. Adequate transportation and service for both groups were provided. The Kili boat, the *Libra*, regularly plied between Kili and Jaluit, making at least one trip a month. The larger field-trip vessel of the Marshalls District also services Kili at regular intervals.

The islands in the Jaluit lagoon belonging to the Kilians were hit by the full force of the 1958 typhoon; Jebet and Jar Islands, for example, were so severely damaged that rehabilitation in the foreseeable future is not possible. On these two small islets most of the topsoil was washed away and the entire configuration of the islands changed. Bokalaplap, the third islet, was not as severely damaged, and planting of coconut and subsistence crops is progressing satisfactorily there. The Kili land on Jabor Island has also been replanted.

An American agriculturist was stationed on Ujelang for the greater part of the present fiscal year and devoted full time to agricultural rehabilitation of that island. By a combination of field-trip service from the Marshalls District and Ponape District, the former isolation of Ujelang has been broken and field-trip ships visited the island this past year on an average of once every 2 months.

The rehabilitation program for Rongelap moved slowly but steadily toward completion. The rehabilitation project now has reached the point where only 50 percent subsistence of the Rongelapese by the administration is needed, and by July of this year a further reduction in subsistence feeding is anticipated. As has been noted before in this Council, the administration is desirous of making the Rongelapese self-supporting and self-sufficient as quickly as possible. We are extending every assistance to the Rongelapese people to enable them to achieve this end. Rehabilitation of the coconut groves has been stressed, and several hundred acres of land have been prepared for planting new coconut seedlings. Some 100 acres of marginal land still need to be replanted if Rongelap is to support from its own resources the present population of 250, which, the Council will recall, is over three times greater than the population of 82 which lived on the island in 1954.

During the past year the presence of an American agriculturist encouraged progress on the subsistence and coconut rehabilitation projects and additionally brought about an appreciable increase in copra production. The curtailment of scientific expeditions also has aided the Rongelapese to readjust to life on their home atoll. In the period between July 1959 and the end of February 1960, the Rongelapese produced 48 tons of copra, which they sold for $6,420. In return, trade goods were purchased amounting to $4,170, leaving

a sizable amount of surplus income on the island. Though the Rongelapese in this 9 months' period were engaged in fishing, clearing land for new coconut groves, and working on their subsistence crops, they were also able to produce an average of 5 tons of copra a month. This is a favorable sign of progress when compared to the monthly production of only 1.7 tons of copra during the first year of their return, 1957. Further increase in copra production is expected as coconut rehabilitation work is completed and extra work required for planting new subsistence crops is reduced.

Although a large-scale medical survey was not considered necessary this year, a small team composed of trust territory medical staff and two AEC [Atomic Energy Commission] specialists briefly visited the island last month and conducted a routine medical check. The preliminary results of this latest medical survey again indicated that no aftermaths of the fallout are discernible and the general health of the Rongelapese is satisfactory.

Political Development

In the area of local government we have continued to stress development and growth on all levels. It is our belief that political development at the district and interdistrict level must be coordinated with development on the municipal level if a firm political foundation for the territory is to result.

The fourth annual meeting of the Inter-District Advisory Committee to the High Commissioner took place last November. This body, whose members are elected by representative district congresses, advanced still another step toward the eventual target goal of converting this group into an elected territorial advisory council. At its November meeting the Advisory Committee voted to establish a Hold-Over Sub-Committee in Social Affairs. This subcommittee has been given the responsibility of studying major social problems of the territory and will report its findings and recommendations to the Inter-District Advisory Committee at the 1960 meeting. The holdover committee, composed of elected members from Yap, Truk, and the Marshalls Districts, is meeting in Ponape District next month. Additional subcommittees in economic and political areas very likely will be formed at forthcoming meetings. These subcommittees will be available to us for consultation on specific problems during the year.

On a district level, the district congresses devoted attention to problems affecting local affairs. The keen interest and concern these legislative bodies have demonstrated in the field of education already has been noted. Increasingly the district congresses are expanding activities and undertaking more and more local responsibilities. This past year district congresses, in addition to paying teachers' salaries, made appropriations for scholarships, road repairs, community recreation fields, and public-health activities. Laws were passed in such areas as inheritance of land, control of excessive notes of interest, alcoholic beverage control rules, and the like.

Twenty municipalities were chartered in 1959, double the number our informal target goal had as its aim. As expected, the municipalities which are the most accessible to the district centers have been chartered first, and there will be no doubt some slowing down from now on as transportation and contact problems become greater.

In line with recommendations made by the Council, attention has been given to the standardization of the voting age. The Palau Congress currently has the question of a reduction in voting age in that district under consideration.

At previous meetings of the Council I have expressed doubt as to the enactment of organic legislation for the territory by 1960, as was announced a number of years ago. 1960 is now here, and my doubts have turned into reality. At this time an organic act is not in readiness for presentation to the Congress. Work continues on the drafting of an organic act which will reflect the needs of the Micronesians, and I am confident that in time suitable organic legislation will result.

Judiciary

In the judiciary field a number of significant highlights can be noted. In November 1959 a new Associate Justice was appointed, and the work of the High Court as a result was greatly facilitated. The Micronesian administrative assistant to the Chief Justice continued his training program for district clerks of courts and other court officials. A valuable achievement was the issuance by the Chambers of the Chief Justice of a *Handbook for District and Community Court Judges, Clerks of Courts, and Trial Assistants.* A training school

for trial assistants was held in Truk, one of the significant features of this school being that the course was planned and directed by a Micronesian Public Defender.

Earlier this month the 1960 Trust Territory Judicial Conference was held at headquarters with District Court judges, clerks of courts, High Court judges, and other judiciary and legal staff in attendance. The theme of this conference was on how to make the work of Micronesian District Court judges more effective.

International Relations

Our contacts and relationships this past year with international organizations have been frequent and rewarding. Four Micronesians are abroad on United Nations and related agency fellowship grants. These include a young doctor under World Health Organization auspices in the Philippines, a UNESCO [United Nations Educational, Scientific and Cultural Organization] trainee in radio broadcasting in New Zealand and Western Samoa, a United Nations fellow in community development in the Philippines, and a United Nations fellow in social defense in Hawaii. In 1959 four Micronesians and two staff advisers attended the Fourth South Pacific Commission Conference in Rabaul. Our Director of Education participated in a South Pacific Commission sponsored conference of education officers of the Pacific area in Brisbane, Australia; our Director of Dental Health attended a World Health Organization sponsored Dental Congress in Adelaide, Australia; and next month our Director of Public Health will participate in a World Health Organization conference on tuberculosis control in Sydney.

I am grateful to have the opportunity to present this report and will endeavor to provide, as far as I am able, any additional information members of the Council may desire.

CLOSING STATEMENT, MAY 4

U.S./U.N. press release 3396

There is general agreement in the Council regarding the needs of the Trust Territory of the Pacific Islands and the direction in which the administration should proceed. Therefore I think that in this closing statement I need only to clarify our thinking regarding the steps through which the trust territory can most successfully attain the desired goals and also to comment on certain specific suggestions.

It would appear from the statements of the various delegations that there is general consensus that satisfactory progress continues to be made in the education and health fields. The Administering Authority shares the concern expressed by certain members of the Council that more emphasis should be placed on increasing opportunities for secondary education. Our present educational program is designed to meet this growing need. New and enlarged intermediate schools are under way or are planned for all districts. The new Pacific Islands Central School allows ample opportunity for growth and expansion.

We appreciate the comments of the World Health Organization on the territory's health program and assure the Council that these comments will be carefully studied by our public-health staff.

This, Mr. President, brings us to the economic and political fields, which, in my thinking, are somewhat intertwined. In today's world, political self-government or independence does not appear to depend upon economic viability. This is a subject which could be discussed for hours, and I do not wish to pursue it at that length. It does seem clear to me, however, that for Micronesia to be more than fictionally self-governing or independent there should be a better proportion between subsidization and local revenue than the present 5 to 1 ratio.

For this reason we are as anxious as other members of this Council to improve the economy of the territory. Suggestions have been made for the development of pineapple, fish, and other export products. We look forward to the proposed economic survey exploring thoroughly the production and marketing economics of these and other possibilities. I emphasize both production and marketing because it does little good to produce an item that cannot find a market at a price that will make its production worth while. On our part, however, we hope that an economic survey will reveal some potential economically feasible projects. If it does, we shall certainly pursue them in all earnestness.

In the meantime, however, I wish to emphasize again that economic progress is being made. I have, in reply to questions, mentioned the fishing project, the expanded planting of cacao, and the introduction of pepper and other agricultural

products. Continuing attention is being given to copra production. Production of copra had shown a steady and gratifying increase up to the time of the four typhoons in late 1957 and in 1958. It had, in fact, almost reached prewar production levels prior to that setback. We have high hopes for its rapid recovery and expansion beyond prewar levels. Because of the important role of shipping in the development of the economy, steps were taken last year to improve our transportation service, and procedures are currently under way for the acquisition of an additional vessel for field-trip service.

Progress Toward Political Goals

Assuming that it were possible to divorce entirely political development from economic development, the territory would still, in my opinion, be some years away from the political goal which members of this Council would like to see achieved within a few short years. And I would like to say at this point that, insofar as goals are concerned, the United States accepts either self-government or independence as being proper.

In saying that achievement of either of these goals is some years away, I cannot agree that this is due to any lack of effort on the part of the Administering Authority. In the tradition of the United States, as in that of many other countries, sound government rests upon three independent branches of government—executive, legislative, and judicial. In areas such as the trust territory it is logical and desirable that the initial emphasis be placed upon development of the legislative branch. This gives the executive branch an initial access to the thoughts and wishes of the people. Considering the fact that such legislative bodies were unknown prior to the present administration, I believe that our progress in the establishment of district congresses and the beginning of a Territorial Council has been noteworthy.

This does not mean, however, that a district congress can be given absolute powers of legislation. There are two principal reasons for this. First, the traditional societies, such as that in the Marshall Islands, are undergoing a change from the old hereditary chieftainship concepts to a more democratic concept. In the process of such a change it is the understandable desire of some to seek legislation to preserve their preferred status. Some authority must be able to review and, if necessary, veto such laws.

A second reason is that a legislative body having complete authority would destroy the checks and balances inherent in a three-branch government. This then behooves us to develop, along with the legislative branch, the executive and judicial branches. Again, in the development of the executive branch, I believe that, if the circumstances are considered, our progress has been noteworthy. Our training programs, be they scholarships, inservice, or special, have had, in these initial years, to be spread over all fields of activities, not concentrated solely on the development of an administrative corps for top positions in the executive branch of the government.

We now, however, have Micronesians serving in all levels of district government except for district and assistant district administrators, and I have stated to the Council our plans in this regard. I submit that this is a good record in light of the fact that, for training purposes, we have had only one generation of young Micronesians with which to work for any extended period of time. These young men have shown ability and are developing well, but a good administrator must have sound practical experience in governmental methods. This experience is being provided, and the executive branch of the Micronesian government will benefit from it and will be in a position to participate in the check-and-balance system between the executive and legislative branches.

Insofar as the judicial branch of the government is concerned, I was much disturbed at the statement made by the oral petitioners as to their lack of confidence in the trust territory High Court. This court consists of an American Chief Justice and Associate Justice in whose impartiality I have complete faith and who participate in the training of lower-court judges, one of whom incidentally is an uncle of one of the oral petitioners.

In our program to develop the judicial branch of the government we have had regular judicial conferences for the improvement of the court procedures and have had special training courses for those who appear before the courts as public defenders and trial assistants. At the recent Judicial Conference the theme of the 5-day conference was the importance of the three equal and independent branches of the government and of the role in particular of the judiciary. Our efforts to improve the judicial branch will continue in order that the

third branch of the government may be fully prepared to accept its position in our government.

We hope, thus, to bring all three branches of the government of the trust territory as rapidly as possible to the point that they may operate fully and effectively in a Micronesian government. There is no desire on our part to hold back such a government. We are prepared to have it develop as rapidly as possible. We do want it, however, to be a sound government. We want not only the legislative bodies but the other branches as well to understand governmental financing and sound administrative practices. In the light of the territory's potential economic and financial position such understandings are essential. We feel that our programs for municipal chartering, legislative development, and administrative training will provide this understanding.

Legal Process for Land Condemnation

The question has been raised as to the legal position of the administration regarding expropriation or condemnation of land for public purpose. The question arose, I believe, because the annual report [2] did not mention that we do in fact have a trust territory law which establishes the basis and procedures upon which any land condemnation action must be brought. Until recently the trust territory government has been able to reach mutually agreeable settlements with landowners for land needed by the administration. Consequently legal procedures in the absence of agreement were not needed. This gap, however, in the legal process for the condemnation of land, when necessary, has now been filled by the promulgation of a condemnation statute. I hope this clarifies the situation.

The integration of the island of Rota with the administration of the Saipan District has been raised by several of the delegates during this session. This matter has been under close study between the two departments concerned. Likewise the continued administration of the Saipan District by the Department of the Navy has been reviewed by my Government during the past year. To date, no decision has been reached to change the *status quo*. If it appears that the administration of the Saipan District cannot soon be transferred, consideration will be given to the request of the people of Rota, in their petition presented to the last visiting mission, that their island become part of the Saipan District.

[2] U.N. doc. T/1513.

Petitioners' Viewpoints To Be Studied

I have listened with keen interest to the oral petitioners. Though I cannot accept many of the arguments set forth by them, they are entitled to their opinions, and as is our practice in the territory their viewpoints shall be carefully studied in light of the total problem. The administration will make a special attempt to look into statements made by the petitioners that the Marshallese on Ebeye live in poverty and want. This I do not believe to be the case, for less than 2 months ago I visited Ebeye and I find it hard to accept that living conditions have deteriorated to the extent implied by the petitioners. I assure this Council that, if living conditions at Ebeye are imperiled by virtue of large numbers of outisland Marshallese having been drawn to Ebeye by the lure of "bright lights" and jobs at Kwajalein, we shall take immediate and remedial steps.

The petitioners have expressed their strong opinion that only a monthly or annual rental payment at a price they feel is just is acceptable to them. I do not intend to dwell on this aspect, since in my answers to the Council and to the Standing Committee on Petitions I have stated the administration's position fully and in detail. In brief this is that any monthly payments—if that method of settlement is to be considered—must be based on the true value of the land as it existed at the time of acquisition, plus normal interest, not on an unrealistic formula based on a copra production schedule which is not found anywhere in the Marshalls or, in fact, throughout the entire territory. We hold that a lump-sum payment which would enable the people to invest the moneys received and thus maintain the principal and enjoy the fruits of their investment is a much more realistic approach to this perplexing problem. We contend also that our role as a trustee demands assurance of a fair and equitable division of any payment among those having an interest in the land.

In closing, Mr. President, may I state that, as in previous years, the administration will distribute the closing statements of the member delegations throughout the Trust Territory of the Pacific Islands. The staff members, Micronesian and

American, take a real interest in the deliberations of this body, and I am desirous of enabling them to judge for themselves the viewpoints expressed by the members of this Council on the progress of our administration.

May I also thank you, Mr. President, and the members of the Council for their interest in the administration of the territory.

U.S. Makes Additional Contribution to World Refugee Year

U.S./U.N. press release 3417

Henry Cabot Lodge, U.S. Representative to the United Nations, transmitted on June 10 a check for $1,150,000 to the United Nations High Commissioner for Refugees. This represents an additional U.S. contribution for World Refugee Year programs of assistance to refugees in various parts of the world and is over and above amounts currently pledged for refugee programs. It brings the total U.S. contribution to World Refugee Year programs to $5,050,000.

TREATY INFORMATION

Current Actions

MULTILATERAL

Fisheries

Amendment of paragraph 1 (b) of the annex to the international convention for the high seas fisheries of the North Pacific Ocean of May 9, 1952 (TIAS 2786). Adopted at Seattle November 7, 1959, at the sixth meeting of the International North Pacific Fisheries Commission. Entered into force May 24, 1960.
Acceptances deposited: Japan, May 10, 1960; Canada, May 14, 1960; United States, May 24, 1960.

Health

Constitution of the World Health Organization. Opened for signature at New York July 22, 1946. Entered into force April 7, 1948. TIAS 1808.
Acceptances deposited: Cameroun, May 6, 1960; Kuwait, May 9, 1960; Togo, May 13, 1960.

Telecommunications

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1958 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960. TIAS 4390.
Notifications of approval: Byelorussian Soviet Socialist Republic, April 1, 1960; China and Bulgaria, April 6, 1960.

Whaling

International whaling convention and schedule of whaling regulations. Signed at Washington December 2, 1946. Entered into force November 10, 1948. TIAS 1849.
Ratification deposited (with a reservation): Argentina, May 18, 1960.

Protocol amending the international whaling convention of 1946 (TIAS 1849). Done at Washington November 19, 1956. Entered into force May 4, 1959. TIAS 4228.
Adherence deposited (with a reservation): Argentina, May 18, 1960.

BILATERAL

Brazil

Agreement amending agreement for a cooperative program for reconnaissance and investigation of the uranium resources of Brazil of December 26, 1957 (TIAS 3964). Effected by exchange of notes at Washington December 2, 1958.
Entered into force: December 23, 1959.

Agreement extending the agreement for a cooperative program of uranium reconnaissance of December 26, 1957, as amended (TIAS 3964). Effected by exchange of notes at Washington December 23, 1959, and January 6, 1960. Entered into force January 6, 1960.

Indonesia

Research reactor agreement for cooperation concerning civil uses of atomic energy. Signed at Washington June 8, 1960. Enters into force on date each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

Check List of Department of State Press Releases: June 6–12

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C. Release issued prior to June 6 which appears in this issue of the BULLETIN is No. 300 of June 3.

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307	6/7	Herter: statement on mutual security treaty with Japan.
308	6/7	U.S. note on Soviet disarmament proposals.
309	6/7	Herter: "The University and the World Community."
310	6/8	Guatemala credentials (rewrite).
311	6/8	Korea credentials (rewrite).
312	6/8	Ethiopia credentials (rewrite).
†313	6/8	Atomic energy agreement with Indonesia.
314	6/9	SACLANT antisubmarine warfare research center.
315	6/9	Mexico anniversary celebrations.
316	6/10	Visit of Thai King and Queen (rewrite).
†317	6/10	Herter: Subcommittee on National Policy Machinery.
†318	6/10	*Foreign Relations, 1942, Volume I* published.

†Held for a later issue of the BULLETIN.

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Corrections for Volume XLII

The Editor of the BULLETIN wishes to call attention to the following errors in Volume XLII:

February 8, page 222, left column, third line under Telecommunication: The date should read "December 22, 1952."

April 4, page 522, footnote 8: The members of the Latin American Free Trade Association are Argentina, Brazil, Chile, Mexico, Paraguay, Peru, and Uruguay.

May 9, page 744, right column, 10th line: The sentence should begin "Commodore Perry . . . ."

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